

# Commerce

JANUARY 1960 • 35 Cents

CHICAGOLAND  
**VOICE**  
OF BUSINESS

## ECONOMIC ILLITERACY

*Growing Threat to Free Enterprise*

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POOR LISTENING COSTS YOU MONEY!

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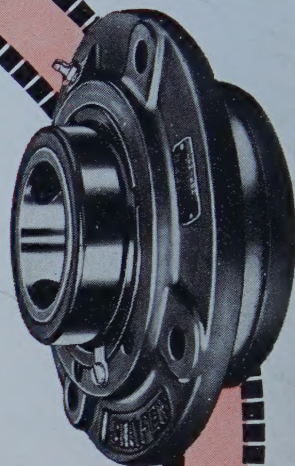
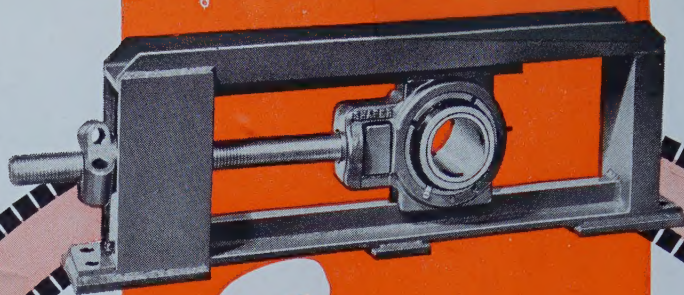
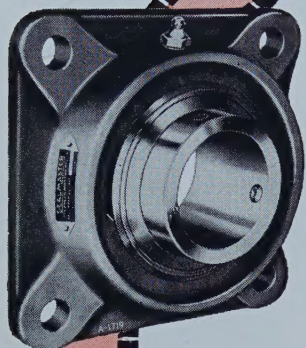
THE PEOPLE YOU PAY BUT NEVER HIRE

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Chicago Association of Commerce and Industry Photo and News Coverage—Page 40

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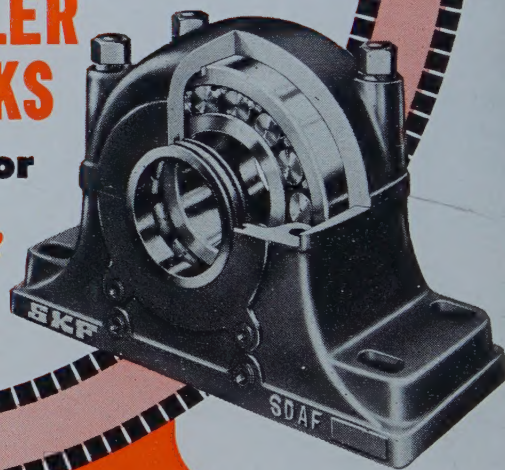
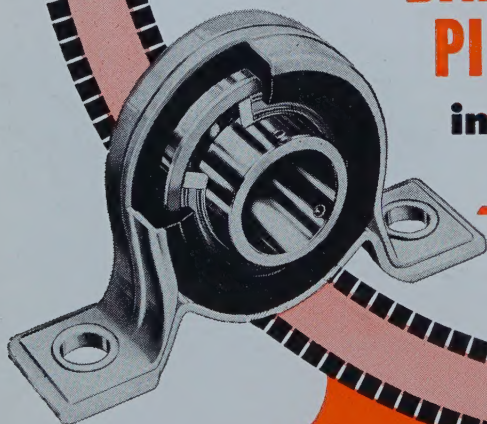




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## The care and feeding of ducks... a banker's job?

*This is a true story, but because we always hold our relations with any customer in strictest confidence, certain minor but identifying details have been altered.*

"Wanna buy a duck?" was a question asked by a famous comedian back in the Thirties—remember? Jestingly, about the same time in Chicago, Mr. F used to ask his friends the same question, for he was the owner of a successful duck farm.

In fact, it was so successful he had established a six-figure estate from it. His ducks and his farm were known to restaurants and gourmets across the country.

Aside from the farm, the only thing more important to him was his family: his wife and teen-age son. It was of them that he thought before taking a long-delayed vacation. What if something should happen to him? How

could he make sure the farm would be run efficiently until his son came of age?

His lawyer suggested a conference with the men in our Trust Department. Out of that meeting, a will was drawn and signed, naming The First National Bank of Chicago as Executor and Trustee of Mr. F's estate.

Within 48 hours, Mr. F was dead—the victim of a tragic automobile accident. Miraculously, Mrs. F and their son escaped unhurt.

Immediately, because our primary job as Executor was to manage Mr. F's property and investments, we went to work. First we learned what it takes to run a duck farm. We found the secret was to get the ducks ready for market as fast and economically as possible. The big cost was feed.

Mr. F's records showed he had bought feed from one company for years. We saw no reason to change.

But six months later, we noticed that the ducks had to be fed too long before they became marketable. Through our Divisional organization, we contacted the feed company and found they had changed their formula. When we told them it wasn't working, they quickly changed back to the old formula. This discovery alone resulted in a sizeable difference in the farm's annual profits.

Recently, Mr. F's son came of age, and we were able to turn the duck farm and the estate over to him in sound shape and with increased value.

We tell this story to illustrate the depth of service that you get from our Trust officers. They're known for their experienced care in handling personal trust affairs. We're certain that you and your lawyer will find a talk with one of our officers rewarding. This is our invitation for you to call us.

The Trust Department



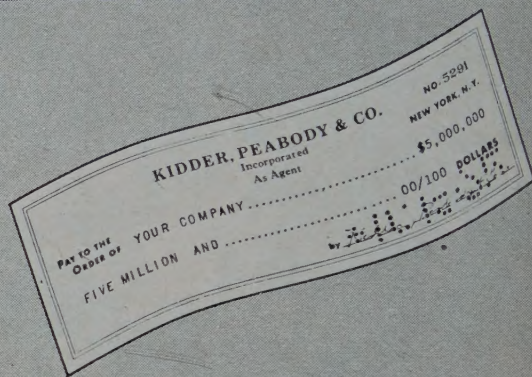
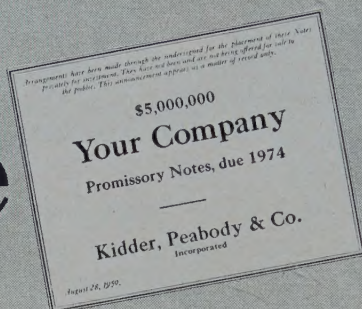
**The First National Bank of Chicago**

Dearborn, Monroe & Clark Streets • Building with Chicago since 1863

MEMBER F. D. I. C.



# Have you considered Private Placement as a method of raising New Capital?



Private Placement as a method of raising capital has become increasingly important in recent years. Many financings unsuited for public offering because of small size or unusual features, may be arranged through Private Placement at a substantial saving in expense.

As specialists in this field, we believe we have completed successfully more private placements than any other investment banking firm. In the past 5½ years we and our corporate affiliate, Kidder, Peabody & Co., Incorporated, have negotiated 292 financings ranging in amounts from \$250,000 to \$30,000,000.

Our skilled staff and intimate knowledge of

security markets and requirements of potential leaders have enabled us to obtain favorable terms for clients, as evidenced by our volume of "repeat business" in this field.

Corporations are invited to consult us, without charge, on the terms and timing of prospective financing. When retained, our fee is subject to the completion of the financing.

*In our Chicago office we maintain a fully staffed underwriting department, capable of handling all types of financing. Call our Resident Partner for an appointment, or write for our new booklet, "An Executive's Guide to Private Placements."*

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American, Boston,  
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# Commerce

CHICAGOLAND  
**VOICE**  
OF BUSINESS

Volume 56 • Number 12 • January, 1960

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### In This Issue

With Khrushchev threatening to "bury" the U.S. economically, the appalling ignorance of American economics on the part of young people and adults is a cause for growing concern. Dr. Harry W. Heckman, author of a new Rand McNally course in economics for use in high schools and in in-plant training, points up the dangers to the free enterprise system inherent in continued lack of knowledge. The article begins on page 15.

\* \* \*

One of the most imaginative projects ever to be launched by the Chicago Association of Commerce and Industry is announced by the Association's Chief Executive Officer, Thomas H. Coulter, in an article beginning on page 17. "Chicago's Operation Export" is boldly designed to enable Chicago area businessmen to cash in on opportunities in two-way world trade, Coulter says, as he assesses the present world trade situation and describes a calculated, integrated plan to carry the made-in-Chicago label into the marketplaces of the world.

\* \* \*

Poor listening habits cost you money! This is the thesis of Ralph G. Nichols' article starting on page 18. Nichols reveals the results of several surveys of listening habits which tend to prove that management communicates less than 20 per cent of its messages to employees.

\* \* \*

In "The People You Pay But Never Hire" on page 21, Richard J. Nelson points up the growing problem which exists in governmental agencies, faced with ever-increasing payrolls. As taxpayers, all employers must bear the costs.





# No matter how big 1960 becomes...



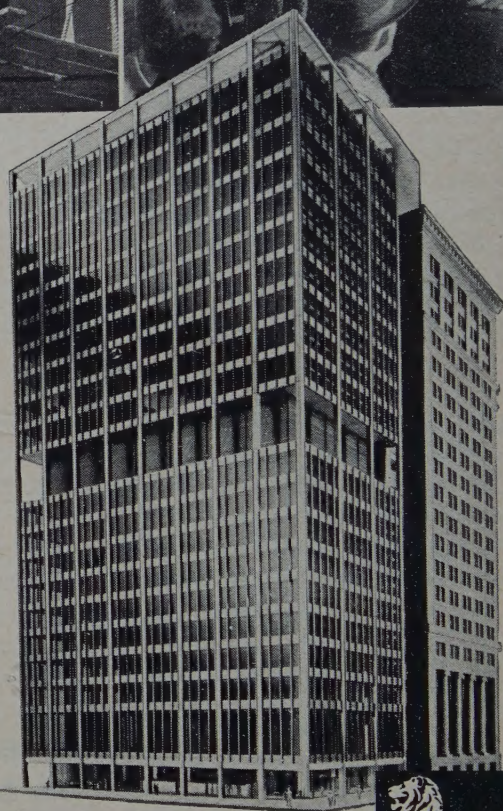
*...we're right on schedule  
for it at the Harris!*

1960 probably will see new highs in production, employment and income. Business inventories will be built up early in the year, and spending for plants and equipment should be 10-15% higher than in 1959. Federal spending is not expected to increase, but state and local government spending will be up substantially. And the major source of strength—the American Consumer—is expected to spend about 6% more than last year.

All in all, it's a big, bright picture. And no matter how big it gets, the Harris will be ready for it with a new building full of new and broadened services.

The outside of our new home is already completed, and right now we're busy putting the finishing touches on the inside. We'll invite you to an Open House later this year, and we think you'll be pleasantly surprised with what you see.

But there's no reason to wait until then to make use of our services for *all* your personal and business financial needs. They're ready right now—and we think you'll be pleasantly surprised with them, too.



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Thomas H. Coulter



Dear Member:

1959 was Chicago's best year ever and marked the end of a decade that must be recorded as the "Fabulous Fifties." The next decade holds even greater promise...in fact it looks like the "Sensational Sixties" for Chicagoland...which will be forecast in our Annual Report next month and be the theme of the Association's Annual Luncheon Meeting on February 10 at the Palmer House.

Your Association's activities reflected the fabulous growth of the past ten years as it became the largest Chamber of Commerce in the U.S.A. and assumed many new responsibilities and services to members in keeping with the changing needs of Metropolitan Chicago. This growth in leadership and services will continue this year to meet pressing business and community needs...we have now outgrown our two floors of space in the Inland Steel Building and have leased an additional floor in the Majestic building next door.

More space is required for additional staff to strengthen our program in the areas of Mass Transportation, Industrial Development, Commercial Development, Governmental Affairs and World Trade. New programs will be added to further the objectives of Chicago's commerce and industry...one of these, "Operation Export," is described in this issue and meets a timely need and opportunity to help business, Chicago and the Nation.

One of the main objectives and responsibilities of your Association is to look into the future to anticipate the needs and opportunities for the commerce and industry of Metropolitan Chicago... this requires research...reliable research...upon which years of planning and important investment decisions will be made. Research...and special projects growing out of research...to strengthen Metropolitan Chicago... will be an increasingly important part of this Association's program of work to meet the rapidly changing conditions of the next decade.

Good research is time-consuming and expensive. Thanks to the enlightened support of this Association's membership, an expanded program of research will be continued in the coming year. Metropolitan Chicago is endowed with more potential than any other area on earth...this rich endowment also carries with it great responsibilities to our nation and to the world. How we meet them in the next decade may determine the destiny of American free enterprise in our time...something to think about!

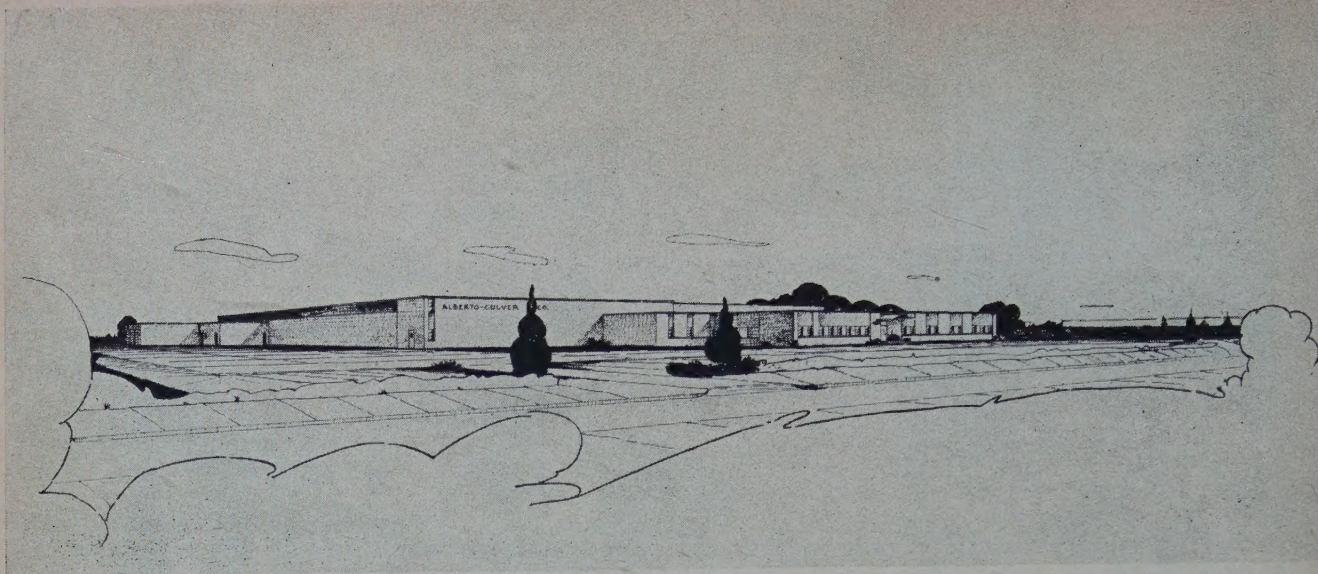
Happy New Year!

Sincerely,

*Thomas H. Coulter*

Chief Executive Officer, The Chicago Association of Commerce and Industry





Rendering of new plant now under construction for Alberto-Culver Co.

## MODERN PLANTS IN MODERN DISTRICTS...

Clearing Industrial District, Inc. always owns neighborhoods rather than individual sites. It gives this industrial location firm the necessary control toward developing a modern industrial district that will stay modern and streamlined. There is never the penalty incurred in picking a site among mixed occupancies.

planned to contain factories which are clean, economical, flexible, with plenty of daylight and fresh air — and consequently attractive.

Each district is planned for growing industries to prosper.

If you are thinking about a modern site and plant for your company, the four Clearing-operated manufacturing districts in the Chicago area will interest you (two more, the Montrose District, and Addison-Kedzie District have been sold out).

All have "A Clearing Development" stamp on them; this means that they are

Clearing Industrial District, Inc., has four modern industrial districts in the Chicago area. The company offers the services of a complete engineering and construction department, architect and financing on either a long term lease or purchase contract; in short, every detail toward a completed project.

For further details address inquiries to "Clearing Industrial District, Inc., 38 South Dearborn Street, Chicago," or call RAndolph 6-0135.

# CLEARING INDUSTRIAL DISTRICT, Inc.

FIRST NATIONAL BANK BUILDING

CHICAGO 3, ILLINOIS



**S**TEEL production during November amounted to 1,162,000 tons. By month's end steel plants were operating at an 87% capacity following the 116 day strike that ended on November 7. Despite the strike, steel production during the first eleven months of 1959 reached 14,645,700 short tons which is only 361,000 tons or 2.4% behind the comparable 1958 period. Basic steel imports moving by water into the Port of Chicago in November

amounted to 37,777 short tons, an increase of 34% over the October figure of 28,290.

Industrial activity as reflected in the Index of Industrial Production picked up quickly following the steel strike to an index figure of 132.0 (1947-49=100), a 3% increase over October.

Electric power production for the first eleven months of 1959 was 11% greater than the comparable 1958 period, and industrial gas consumed in 1959 exceeded 1958 by 13% on an 11 month basis. Dressed meat production however showed a 14% decline in 1959 over 1958.

Department store sales in 1959 continued to run substantially ahead of 1958. November sales hit an index figure of 123 on a seasonably adjusted basis (1947-49=100), an increase of 3.5% over November 1958. The November Consumer Price Index for Chicago dipped for the first time in 1959 to an index figure of 129.1 (1947-49=100), but was 1.3% above the level of 1958. The number of new passenger car sales in 1959



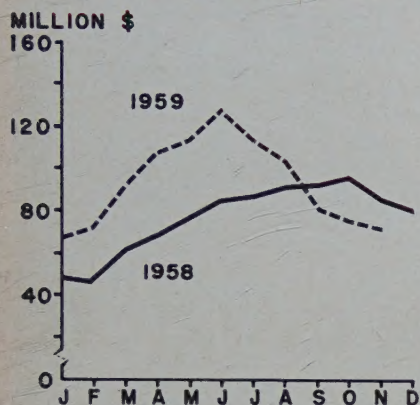
outran 1958 by 43% for the first eleven months.

Unemployment increased from 125,000 in October to 130,000 in November, possibly reflecting secondary effects of the steel strike.

Home building in the Chicago Area in November dropped to a low point for the year with 1,495 permits issued. Apartment construction also lost some ground with 673 permits being issued. However, the first eleven months of 1959 showed an increase in home building of 16% over 1958, and apartment construction an increase of 36%. Industrial plant investment boomed during

## MORTGAGE LOANS ORIGINATED

Insured Savings & Loan Assn's



## POPULATION AND GENERAL GROWTH TRENDS:

	Nov.	1959 Oct.	Sept.	1958 Nov.	11/59 vs 11/58 % Change	11 Months Thru November 1959	% Change From 1958
Population—Chicago (000) Estimated	3,802.3	3,800.3	3,798.3	3,778.7	+ 0.6	LM 3,802.3	+ 0.6
—Metr. Area (000) Estimated	6,686.3	6,674.8	6,662.9	6,546.7	+ 2.2	LM 6,686.3	+ 2.2
Recorded Births:							
—Chicago	7,894	8,366	8,508	7,817	+ 1.0	T 89,057	+ 1.3
—Metr. Area (5 Ill. Counties)	12,375	13,257	13,299	12,003	+ 3.0	T 138,875	+ 2.2
Recorded Deaths:							
—Chicago	3,404	3,155	2,996	3,217	+ 5.8	T 35,912	+ 0.4
—Metr. Area (5 Ill. Counties)	5,130	4,816	4,602	4,902	+ 4.7	T 54,100	+ 0.7
Marriage Licenses (Cook County)	3,078	3,794	4,050	3,410	- 9.7	T 38,998	+ 1.9
Total Water Pumpage:							
—Chicago Water (000,000 Gal.)	28,441	31,108	35,616	28,256	+ 0.7	T 348,296	+ 3.1
No. of Main Tel. in Service (Ill. Bell) (000)							
—Business Telephones	320.8	320.5	319.5	310.6	+ 3.3	LM 320.8	+ 3.3
—Residential Telephones	1,669.5	1,661.9	1,652.7	1,615.3	+ 3.4	LM 1,669.5	+ 3.4

## INDUSTRY:

Index of Ind. Prod. (1947-49=100)	132.0	128.0	129.3	126.1	+ 4.7	A 133.1	+16.8
Steel Production (000 Tons)	1,162.1	95.2	90.2	1,719.8	-32.4	T 14,645.7	+10.2
Petroleum Refining (Jan. 1957=100)		94.2	97.3	99.0	-	Ax 97.4	+ 5.0
Ind. Gas Consumed—Chgo. (000 Therms)	15,021	14,342	13,192	14,876	+ 1.0	T 175,327	+13.3
Electric Power Prod. (000,000 K.W.H.)	1,931	1,831	1,784	1,754	+10.1	T 20,679	+10.8
Dressed Meat Und. Fed. Insp. (1953=100)	61.5	64.9	63.6	80.4	-23.5	A 71.5	-14.0

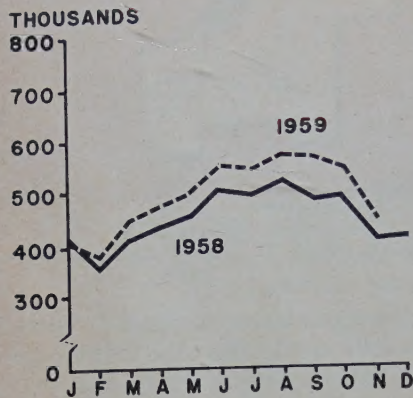
## TRADE:

Dept. Store Indexes (1947-49=100)							
—Sales, Unadjusted	150	130	123	145	+ 3.4	A 115	+ 3.9
—Sales, Seas., Adjusted	123	126	122	119	+ 3.4	A 122	+ 3.7
—Inventories, Unadjusted	159	153	146	160	- 0.6	A 137	+ 1.2
—Inventories, Seas. Adjusted	140	141	144	140	0.0	A 136	+ 1.2
Retailer's Occupation Tax Collections (Municipal Tax Excluded) (000)							
—Chicago Metr. Area (5 Ill. Counties)		\$ 19,616	\$ 17,224	\$ 15,499	+28.6	Tx 108,530	+ 8.3
—Chicago		\$ 12,089	\$ 10,775	9,898	+26.8	Tx 172,389	+10.2
Consumer Price Index (1947-49=100)							
All Items—Chicago	129.1	129.3	129.2	127.4	+ 1.3	A 128.0	+ 0.8
New Passenger Cars—No. Cars (R. L. Polk)		22,598	28,940	13,276	-	Tx 256,442	+43.3
Steel Imports—Waterborne (sh. tons)	37,777	28,290	18,573	N.A.	N.A.	N.A.	N.A.
Total Waterborne Imports (sh. tons)	68,999	47,129	40,044	33,269	+107.4	T 377,720	+117.3
Total Waterborne Exports (sh. tons)	65,405	70,859	55,219	32,231	+102.9	T 406,486	+169.6

T=Total of 11 months. Tx=Total of 10 months. A=Average of 11 months. Ax=Average of 10 months. LM=Latest month. p=Preliminary. N.A.=Not Available. \*Total gainfully employed—approx. 3,000,000 workers. \*\*Indicates residential vacancy rate.



## PASSENGER DEPARTURES Scheduled Airlines

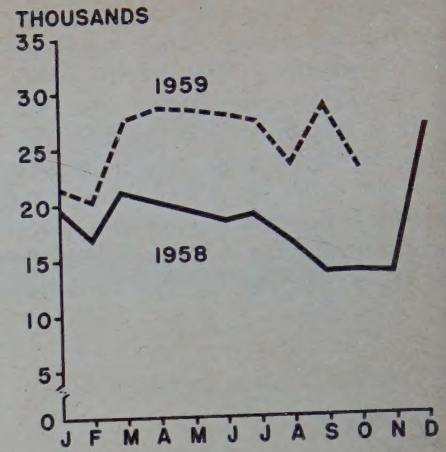


November, reaching a total of \$73,045,000. Investment in industrial plant facilities for the first 11 months of 1959 was 85% greater than the comparable period for 1958.

## Check Book Spending

Check book spending in November in the Chicago Area, as reflected by daily average bank debits to demand deposits, reached almost \$762 million dollars, an increase of 16.5% over November 1958.

## NEW PASSENGER CAR SALES



## EMPLOYMENT AND PAYROLLS:\*

	Nov.	1959 Oct.	Sept.	1958 Nov.	11/59 vs 11/58 % Change	1959 Nov.	11 Months Thru November % Change From 1958
Non-Agric. Wage and Salary Workers—							
Number (000)	N.A.	N.A.	N.A.	2,521.2	N.A.	N.A.	N.A.
—Manufacturing (000)	N.A.	N.A.	N.A.	940.5	N.A.	N.A.	N.A.
—Non-Manufacturing (000)	N.A.	N.A.	N.A.	1,580.7	N.A.	N.A.	N.A.
Total Unemp. (Est. Mid Month) (000)	130	125	130	190	-31.6	A	160.9 -24.1
(Cook, DuPage Cos., Ill. and Lake Co., Ind.)							
Insured Unemployment Cook and							
DuPage Counties (000)	38.4	32.9	33.2	56.5	-32.0	A	49.6 -40.6
Families on Relief (Cook Co.)	36,823	38,775	39,779	28,144	+30.8	A	38,166 +39.6

## CONSTRUCTION AND REAL ESTATE:

All Building Permits—Chicago	1,597	2,419	2,677	2,053	-22.2	T	26,337 -0.9
—Cost (000)	\$ 14,936	\$ 27,206	\$ 34,811	\$ 24,963	-40.2	T	\$271,056 -24.3
Dwelling Units Auth. by Bldg. Permits	2,168	3,313	4,084	4,807	-54.9	T	45,466 +20.3
—Single Family Units (Number)	1,495	2,480	2,920	3,296	-54.7	T	33,668 +15.7
—Apartment Units (Number)	673	833	1,164	1,511	-55.5	T	11,798 +35.9
Construction Contracts Awarded							
—All Contracts (000)	\$120,104	\$163,665	\$159,800	\$110,006	-9.2	Tx	\$1,476,906 +18.7
—Non-Residential Contracts (000)	\$ 42,889	\$ 53,432	\$ 59,683	\$ 32,912	-30.3	Tx	\$476,905 +12.1
—Commercial Contracts (000)	\$ 9,623	\$ 19,225	\$ 20,879	\$ 10,551	-8.8	Tx	\$149,173 +18.4
Vacant Industrial Bldgs. (1954-55=100)	86.4	85.4	81.3	86.3	+0.1	A	90.9 +8.9
Idle Electric Meters (% of all Meters)**	2.15	2.12	1.98	N.A.	N.A.	N.A.	N.A.
Industrial Plant Investment (000)	\$ 73,045	\$ 16,812	\$ 21,290	\$ 13,212	+452.9	T	\$321,648 +84.7
Construction Cost Index (1913=100)		654	654	631	-	Ax	641 +2.6
Structures Demolished—City of Chgo.	192	213	489	190	+1.1	T	3,015 +87.6
Real Estate Transfers—Cook County	5,533	6,219	7,119	6,085	-9.1	T	69,664 +18.4
—Stated Consideration (000)	\$ 3,223	\$ 2,857	\$ 4,327	\$ 4,147	-22.3	T	\$ 38,076 -13.1

## FINANCE:

Fed. Res. Member Banks in Chicago							
—Demand Deposits (000,000)	\$ 4,281	\$ 4,274	\$ 4,243	N.A.	N.A.	N.A.	N.A.
—Time Deposits (000,000)	\$ 1,853	\$ 1,848	\$ 1,844	N.A.	N.A.	N.A.	N.A.
—Loans Outstanding (000,000)	\$ 4,249	\$ 4,321	\$ 4,267	N.A.	N.A.	N.A.	N.A.
—Commer. and Ind. Loans (000,000)	\$ 2,536	\$ 2,591	\$ 2,585	N.A.	N.A.	N.A.	N.A.
Bank Debits—Daily Average (000)	\$761,967	\$707,142	\$715,586	\$654,154	+16.5	A	\$723,414 +12.4
Chicago Bank Clearings (000,000)	\$ 5,380	\$ 5,407	\$ 5,267	\$ 4,687	+14.8	T	\$ 59,630 +11.2
Insured Sav. & Loan Assoc.—Cook Co.							
—Savings Receipts (000,000)	\$ 100.4	\$ 114.2	\$ 110.8	\$ 105.6	-4.9	T	\$ 1,417.9 +12.2
—Withdrawals (000,000)	\$ 65.6	\$ 87.0	\$ 89.6	\$ 56.5	+16.1	T	\$ 1,064.7 +22.2
—Mortgage Loans Orig. (000,000)	\$ 71.5	\$ 75.2	\$ 80.4	\$ 85.4	-16.3	T	\$ 1,026.8 +22.2
Business Failures—Chicago							
—No. of Failures	19	22	23	23	-17.4	T	287 -6.8
—Total Liabilities (000)	\$ 1,052	\$ 872	\$ 1,025	\$ 2,341	-55.1	T	\$ 18,033 +20.5
Midwest Stock Exchange Transactions:							
—No. of Shares Traded (000)	2,351	3,536	2,506	2,586	-9.1	T	31,875 +24.5
—Market Value (000)	\$ 99,362	\$ 97,085	\$103,942	\$103,904	-4.4	T	\$1,262,373 +36.9

## TRANSPORTATION:

Carloads of Rev. Frt. Originated	93,054	90,661	89,428	98,316	-5.4	T	1,178,909 N.A.
Express Shipments: Rail (lbs.)	768,024	773,292	729,736	824,800	-6.9	T	7,949,412 -4.1
Air (lbs.)	80,145	94,420	92,030	69,722	+14.9	T	915,074 +17.8
Natural Gas Dlv'd. by Pipe Line (000,000 Cu. Ft.)	29,437	29,142	27,269	25,755	+14.3	T	321,450 +14.9
Freight Originated by Common Carrier							
Intercity Trucks—(Jan. 1958=100)	109.8	125.6	124.5	97.6	+12.5	A	120.3 +16.5
Air Passengers: Arrivals	459,776	525,379	546,980	388,845	+18.2	T	5,367,351 +10.7
Departures	440,761	539,209	566,660	401,757	+9.7	T	5,341,062 +9.4
Chicago Transit Authority Passengers:							
—Surface Division (000)	35,013	37,604	35,175	33,848	+3.4	T	395,291 +1.4
—Rapid Transit Division (000)	9,381	9,800	9,028	8,653	+8.4	T	103,119 +6.4
Air Mail Originated (000 Pounds)	2,962	3,368	2,892	1,448	+104.6	T	28,107 +60.2
Barge Line Freight Orig.—Tons	204,890	266,250	175,930	296,697	-31.0	T	2,705,237 -19.1

T=Total of 11 months. Tx=Total of 10 months. A=Average of 11 months. Ax=Average of 10 months. LM=Latest month. p=Preliminary. N.A.=Not Available. \*Total gainfully employed—approx. 3,000,000 workers. \*\*Indicates residential vacancy rate.



# Who reads CHICAGO's AMERICAN?



## "I do," says James Day




James E. Day, President of the Midwest Stock Exchange, also serves as a director of the Association of Commerce and Industry, the Economics Club, the Joint Appeal Board and as a Trustee of the Illinois Institute of Technology.

"One of the reasons I read Chicago's new American regularly is to get a quick and comprehensive grasp of the day's financial news. I like to read opinions about the stock market and individual securities columnists Hal Thompson and Sam Shulsky always provide interesting reading. My daily investment of 7c yields a good return."

*James E. Day*

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## ***A Needed Resolution for 1960***

The people of Chicago and the leaders of the 1959 Crusade of Mercy, joint appeal of the Community Fund and Red Cross, are to be congratulated on the successful completion of the drive. All may be proud of topping the goal of \$14,638,000 before the dawn of 1960, assuring 161 private welfare agencies and the Chicago Chapter of the Red Cross that the first year of the new decade will not be a year of crisis, similar to each of the last 14 which have been marked by failure of Chicagoans to give enough to meet the needs of these institutions.

Success of the 1959 effort is due principally to efforts of Philip R. Clarke, who came out of retirement to head the drive, and to work with the committee of more than 100 of Chicago's most able and busiest executives who served with him—men like James E. Rutherford, Vice President of the Prudential Insurance Company, J. Harris Ward, President of the Commonwealth Edison Company, Joseph D. Stockton, Vice President of Illinois Bell Telephone Company, Edward C. Logelin, Vice President of United States Steel Corporation and others.

However, now that Chicago has proved it can and will adequately care for its own, it should not be necessary in the future for the drive to come down to the wire neck and neck with possible failure, with Chicago's busiest executives being forced to plead with fellow citizens to do what is only right and proper in the name of decency and humanity.

The Joint Appeal is a task for all—not for just a few. If more Chicago firms and labor unions will resolve now to begin educating employees and union members about the vital importance of supporting our private welfare agencies, the 1960 goal can be met handily. Only if this is done can we be assured that each firm and worker will provide a fair share of the giving needed this year. By making definite plans now to be consummated this Fall, the 1960 Joint Appeal campaign can be conducted with minimum effort and maximum results in much less time.

## ***Only A Reprieve!***

The record breaking 1959 steel strike is over but it should not be forgotten for several very important reasons.

Most important of these is that the long dispute was not settled by collective bargaining. Settlement came only after vigorous government intervention at a point where both labor and management admitted

they were farther apart than they had been when negotiations began some six months earlier. It appears from this that only government action averted renewal of the strike at the conclusion of the 80-day cooling off period. We would be foolish, indeed, to forget that renewal of the strike would have precipitated a national crisis.

Nor should we fail to remember that despite the industry's adamant stand the settlement finally made is inflationary. While steel leaders have indicated they will not advance their own prices this year, the effects of the 39 cent package granted in steel are already being reflected in some other prices and in other wage negotiations. The industry's fight to get a change in feather bedding work rules was also lost. Thus, the contention of the union monopolies that it is their right to defeat progress by offsetting make-work practices to the detriment of the whole country has been further strengthened.

These are the reasons that the steel strike should not simply be swept under the rug. Although we are getting steel again, the interest of the public still lacks any legal protection whatever against prolonged stoppages in basic industries.

Legislation to provide such protection therefore is a must. An election year is a poor time to seek it, but neither the public nor congress should forget. If they do not, corrective legislation will be high on the agenda when congress convenes in 1961.

## ***The Endless Frontier***

Since World War II a wide variety of new products and services have come into common use. One of the most important of these has been aptly called the "industry of discovery."

From 1949 to 1959, research and development expenditures in this country rose five-fold, from \$2.5 to \$12.5 billion. M. J. Rathbone, president of Standard Oil of New Jersey points out that the significance of these figures does not lie in their size, impressive as it is. As he puts it, "we are in the presence here of something new." The impact of research, Mr. Rathbone says, is to be measured not only by the transformation it has effected in many industries "but also by the new dynamism injected in our economy."

Twenty-five years ago there was a school of economists who believed, and persuaded many others to believe, that the last frontier had been explored and we were doomed to economic stagnation. They could not have been more wrong. In the words of Dr. Vannevar Bush, "Science—the endless frontier—continued to open."

*Alan Sturdy*



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**1931 Lincoln Pk. West**  
**Chicago 14, Ill.**  
**MOhawk 4-3200**

## EXECUTIVE POSITIONS

The capable executive considering a change often has little opportunity to fully investigate desirable alternatives.

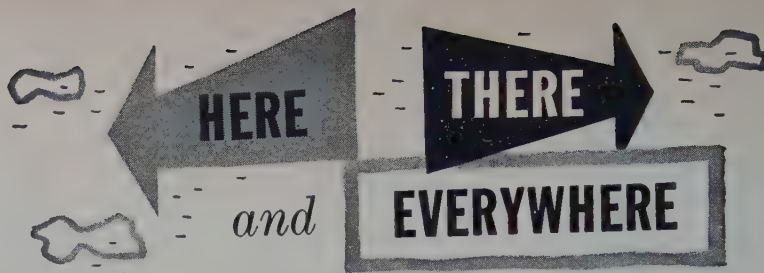
Our many years of contacts with top management place us in a unique position to assist you. We may work behind the scenes, or serve as an intermediary for highly qualified men. Thousands of excellent companies know our work and respect our recommendations.

We are retained by the individual to work on his behalf, and are not an employment agency. Let's get together to arrange a practical plan of action.

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• **Auto Show Opens**—The 52nd annual \$20 million Chicago Automobile show is bringing the new domestic passenger cars and trucks and a record number of foreign makes before the public at the International Amphitheatre, 42nd and Halsted streets, through January 24. The show, sponsored by the Chicago Automobile Trade Association, again is expected to draw nearly a half-million visitors. Admission prices of \$1 for adults and 50 cents for children are all-including, with no extra charge for watching the "Motorevue of 1960" stage presentation at 3:00 and 8:30 p.m. daily.

• **1959 Philanthropy Exceeds Predictions** — American philanthropy reached a record high of more than \$7.5 billion in 1959 according to data available at year end, according to the American Association of Fund Raising Counsel, Inc. Outstanding bequests to philanthropic foundations are expected to add as much as \$1 billion to the total resources for future grants. Religious giving was \$3.9 billion compared with \$3.6 billion in 1958. More than \$1 billion was given to all education. There was a rise of five per cent over the \$2.4 billion contributed to health and welfare in 1958. Federated giving through United Funds and Community Chests is estimated at \$445 million compared with \$427 million given in 1958.

• **Trade Movie in Nation's Theaters** — "Rhapsody of Steel," technicolor 23 minute cartoon featurette produced for the United States Steel Corporation, had its Chicago premiere at the Oriental Theater and currently is being shown in motion picture houses throughout the nation. With musical score by Academy Award winner Dimitri Tiomkin,

direction by Award winner Carl Urbano, narration by Gary Merrill, the film tells the story of steel from primitive man's discovery of meteoric iron, hurled to earth from space, to modern man's hurtling of steel satellites back into space.

• **Bank Pays Interest Daily**—Jefferson State Bank, 5301 West Lawrence Avenue, Chicago, became the first bank in the midwest and the second in the United States to pay interest to depositors from the date of deposit to the date of withdrawal, according to Bernard Feinberg, President and Board Chairman. Under the plan a depositor could place \$10,000 in a savings account one day and withdraw \$9,995 the following day and still collect one full day's interest on the \$10,000, the only requirement being that the account remain open until the end of the current quarter.

• **Course in Patent Law** — A course in patent law for engineers, chemists and business men concerned with protection of research and development results will be offered by the University of Chicago Downtown Center beginning February 8. Julius Tabin, partner in the patent law firm of Soans, Anderson, Luedka and Fitch, will instruct.

• **Imports vs. American Compacts** — What will the new American compact automobiles do to imports? In the opinion of Robert E. Valode, Vice President and General Manager, Renault, Inc., they will help quicken motorists' interest in all economy cars. "The more people read, hear and talk about economy cars, the faster will be the growth of public recognition of their advantages," Valode said.

(Continued on page 35)



# Telephone Planning

an important  
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Homebuyers like the idea of having concealed wiring and convenient outlets for extension phones throughout the house. They are quick to see that the additional outlets will allow them to add new color extension phones whenever and wherever they want to.

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**Nikita Khrushchev**



# *Economic Illiteracy—*



Harry W. Heckman

## *Growing Threat to Free Enterprise*

**With Communism Promising All-Out War in the World's Markets, How Well**

**Prepared are Americans to Understand and Meet the Challenge?**

Dr. Heckman has taught economics in leading midwestern colleges and universities, served the U. S. government as an economist and the United States Army Ordnance Corps as an industrial specialist. For seven years he specialized in economic training programs for business and industrial firms.

Author of a students' manual in *American Economic History* and several monographs, seven years ago he began the task of creating a short course in basic economics adaptable to the needs of schools, in-plant training programs and other educational groups. The result is "*The Economics of American Living*," recently published by Rand McNally & Company. The project consists of a short textbook, 24 wall charts and a teacher's manual. It covers eight subject areas: reasons for this country's economic development; distribution of the product of industry between its two major claimants, the workers and the investors; prices; money, the banking system; credit, business cycles, national income; taxes and government; and a comparison of capitalism with other economic systems, socialism, fascism and communism.

**By HARRY W. HECKMAN, Ph.D.**

Professor of Economics, North Central College, Naperville, Illinois

**A**T the end of the 18th century, Thomas Robert Malthus in "Essay On Population" wrote: "Political economy is perhaps the only science of which it may be said that ignorance of it is not merely a deprivation of good, but produces a great evil."

These wise words warn all Americans to make a careful appraisal of this nation's economic literacy, and to approach the problem with a fresh viewpoint. This responsibility assumes paramount importance in light of the current economic threat posed by the new policy of the Communist world.

Nikita Khrushchev has openly announced that Russia intends to beat the capitalist world at its own game—the mass production of material goods. The cold war, thus, would

seem (at least for the moment) to have passed from the military to the economic realm. The Communist world strives to outproduce the capitalist world; and Khrushchev is so sure this can happen that he is willing to have the uncommitted nations of the world judge Communism on the results.

Whatever else may be said of this Communist endeavor, this much is certain: It reflects monumental confidence in the popular support of the economics of Communism.

Young Communists everywhere are avid proponents of the system; and this is due to the thoroughness with which they have been indoctrinated. In the instruction of its youth, the Communist Party has left nothing to haphazard guesswork or to a dilatory acceptance of responsibility. Every young Com-



munist is carefully schooled in Marxian economics. Those Americans who visited the huge Communist Youth Congress in Vienna, last summer, will attest to this. American student visitors tell of the intellectual enthusiasm with which the Communist case was presented. Khrushchev knows he can count on the Communist youth to back the system all the way.

Contrast this with what the average high school student in the United States knows about our economic system, and no one will have reason to be complacent. Take, for example, the results obtained by Professor A. M. Tibbets, of Western Illinois University, Macomb, Illinois. He recently asked 80 freshman English students to define capitalism. Almost all of these students couched their definitions in political rather than economic phraseology. They defined capitalism as a dangerous and evil form of government. Such answers as the following should give real cause for alarm:

"Capitalism is more on the dictator (sic) type of government."

"Capitalist rulers control the people unfairly."

"... it (capitalism) can be dangerous if allowed to spread into the wrong hands."

"... if this practice (capitalism) should ever become nation-wide, the country is in for a lot of trouble."

These students were from better than average American homes, and



There are 19 Physical Education students for each student enrolled in Economics

very likely they were from the upper half of their high school graduating classes; hence it is NOT safe to assume that their answers reflect an exposure to Communism either in their homes or their schools. The simple fact is that these answers merely reflect a colossal economic ignorance, which should be a chief concern of every thinking American.

### Abysmal Ignorance

Lest anyone be tempted to believe that Professor Tibbets' findings revealed only an isolated pocket of abysmal economic ignorance, consider the findings of other surveys:

The United States Chamber of Commerce found that 44 per cent of 9,518 high school students in 24 cities agree that "the fairest economic system takes from each according to his ability and gives to each according to his needs."

A recent New York Stock Exchange survey, conducted by Alfred Politz Research, showed that only 23 per cent of the adult population knows what common stock is.

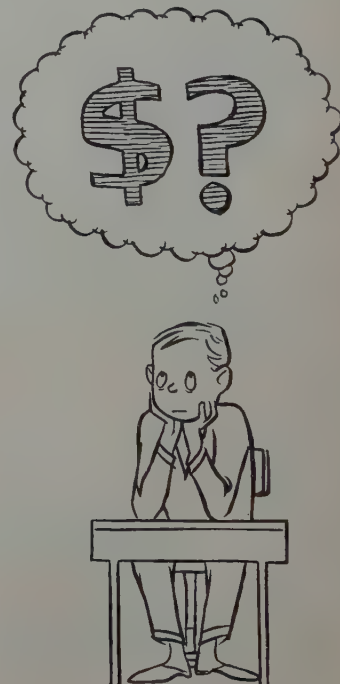
Opinion Research Corporation found that of 1,280 high school seniors only 39 per cent chose "keeping the profit incentive alive" as essential to survival of our system and 59 per cent believe that owners get too much of the money that companies make.

The Purdue University opinion

panel, conducted by Dr. H. H. Remmers, Director, revealed that 14 per cent of high school students thought that most basic industries such as mining and manufacturing should be owned by the government, while 17 per cent were undecided. Only 33 per cent of high school students approved of the graduated income tax while 25 per cent think that the amount of taxes paid should vary with the benefit received by the taxpayer.

According to Dr. Laurence G.

(Continued on page 24)





# CHICAGO'S "OPERATION EXPORT"

AS THE Chicago business man charts his competitive course for the 1960's, he is keeping a weather eye peeled toward the new world trade horizon. On that horizon, both clouds and rainbows are forming.

The clouds are of various shapes and hues: the Soviet economic offensive, the burgeoning trade of Japan, the friendly but earnest competition posed by Europe's new Economic Community (Common Market) and still newer Outer Seven trading bloc. The rainbows are not as easily discernible, nor so clearly defined. But they are there, beckoning to those with courage, initiative and imagination.

## Positive Action

This is an account of positive action being taken by the Chicago business community—not merely to weather the buffeting of overseas competition—but to find clear sail-

By **THOMAS H. COULTER**

Chief Executive Officer,  
Chicago Association of Commerce  
and Industry

ing in the brisk and profitable trade winds of world commerce.

Chicago business through its own voluntary organization, the Chicago Association of Commerce and Industry, chooses not to beat a retreat before gathering clouds, nor to stand to with furled sails. Rather, it has set a course to seize upon new and unparalleled opportunities to carry the "made in Chicago" label into the world's market places and return more and more profits to the midwest.

This plan of action is bold, imaginative and pioneering. It has been named Chicago's "Operation Export." It is not just a defensive move conceived in fear and borne in haste. Rather it is a carefully calculated, bold and realistic assault on world markets.

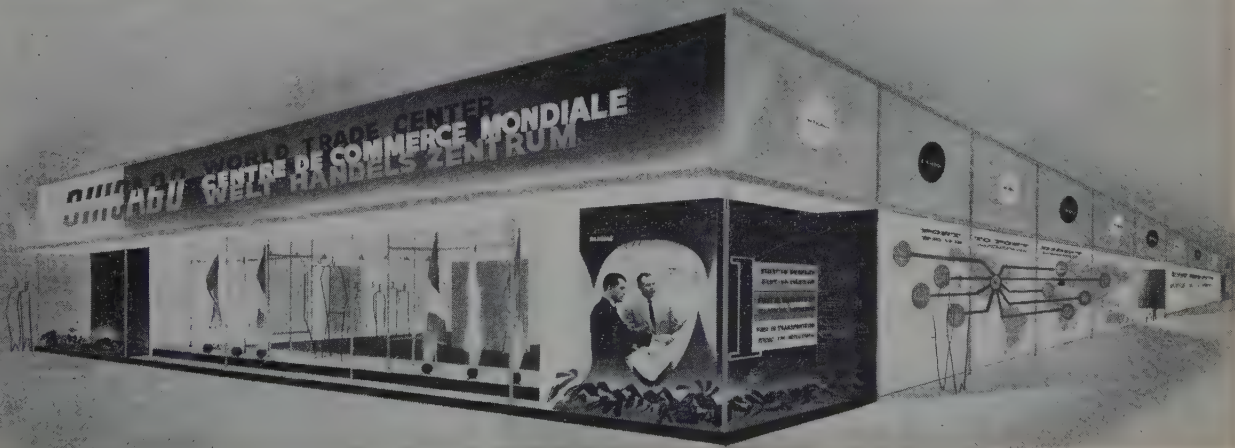
It is based squarely upon the concept that because the American free enterprise system is rooted in individual initiative rather than in collectivistic action of government, therefore the burden of responsibility for meeting the new economic storm rests with the American business man—and that he has the ingenuity to turn seemingly adverse situations to his advantage. Chicago business, rising phoenix-like from the ashes of the great fire of 1871 to new and undreamed-of eminence as an industrial, commercial and distribution center has proven in succeeding years time after time that here are abilities and insights necessary to chart new and successful courses of action widely followed by others.

Here is the present situation as Chicago business sees it, on which it has based plans for the Association's bold new "Operation Export."

There is a growing national con-

(Continued on page 26)

The traveling "Chicago World Trade Center" will be seen in dozens of countries





# Poor Listening Is Costing You Money!



Ralph G. Nichols

## Employees Actually Understand Only 20 per cent of Management's Communications

By **RALPH G. NICHOLS**

Second Vice President  
University of Minnesota

A few years ago a young man came to a speech professor at Louisiana State University and said that he would like to work out a Ph.D. degree in the field of speech. My professorial friend said, "Well, your credentials look good enough; but instead of doing a Ph.D. in the speech field, I would like you to do it in the field of listening. Take a notebook; go to this firm in New Orleans, and interview all the management people you can get in to see during one week."

Then he gave the youngster a list of questions he was to raise with each manager.

The young man came back a week later. He had a little notebook full of testimony that he had acquired from management personnel. The gist of it was that they worked for a tremendous organization, that they had a great future, that they felt they had one of the finest communication systems ever devised in any business or industry.

They said, "Our workers know what we are trying to do. They understand our program. We have the most loyal group of employees to be found anywhere. The morale in our outfit is tremendous. The future looks good."

"Okay," said my friend the speech professor. "Put on a pair of cover-

alls. Go down to that same firm and see Joe Walker, head of the trucking department for that industry. You are to work for him for one year. Every day, carry a notebook in your inside pocket, and whenever you hear the employees say anything about their management—write it down in your notebook."

Twelve months later the student came back with a great stack of notebooks. My friend spent several weeks poring over the testimony in them, and when he got through an-

nounced that it was the most vicious, malicious, denunciatory attack of one group upon another that he had ever laid eyes on in his life.

Trying to find out what the employees really knew of their firm's policies, procedures, and philosophy, he concluded that the workers understood less than 25 per cent of what their managers thought they understood.

If we assume that the top level of management, which we may label the board of directors' level, understands what they are trying to do—and heaven help us if they don't—then when this board of directors sends a communication down through the levels of management, how does it proceed in terms of communicative efficiency?

### *Very Little Gets Through*

There is a tremendous fall-off at the first step down. The vice president level is immediately below the board of directors level in most firms, and the vice presidents understand 67 per cent of what is sent to them verbally downward through normal channels.

At the general supervisory level, 56 per cent gets home. Down to the plant manager, 40 per cent arrives. At the foreman level, 30 per cent.







And, on the average, in 100 representative American industries and businesses, only 20 per cent of the communication sent downward through five levels of management finally gets to the worker level.

Studies have dug deeper. What kind of a character is the employee who understands only 20 per cent of what his management thinks he understands, and probably what he should understand, about his employer? The 20 per cent-informed individual is usually a negative-minded fellow. He believes that there are big fat managers up there somewhere at the top, who are exploiting him, hogging most of the profits, and not giving a proper share to him.

His first inclination may be to steal something in order to get even—and the easiest thing to steal in our economy is time. It is pretty easy. One can check in late and pretend he got there early. Or leave early, and report he left late. It is always easy to slow down at the desk or on the assembly line or wherever one is working. All this is costly business.

If this doesn't satisfy, a person can start stealing tools or equipment. People have been found carrying out a hammer or saw beneath an overcoat as they walk out at night. One chap was even caught with a nickel roll of toilet tissue under his jacket—trying to get even a nickel's worth.

Communicative inefficiency down through the levels of management is terribly poor, and we are only beginning to appreciate the enorm-

ity of the problem. But I am much more concerned about another kind of communication.

What kind of efficiency do we have when the levels of management are to report a communication upward? I am much more excited about the efficiency or inefficiency of upward communication than that through downward channels. Why? Because I hold the deep conviction that downward communication is going to be raised significantly in its efficiency only when top management better understands the attitudes, the opinions, the ideas and suggestions of the people at the bottom of the whole structure.

How efficient is this upward communication? We have begun to collect a lot of evidence. A recent study made of 24 industrial plants reveals a very peculiar thing. It was recognized by the people doing the research that ten factors are probably the most important in the morale of any employee group.

#### Morale Factors

They asked all the management people in these 24 plants to rate these ten morale factors in the order of their importance as they thought they were influencing the employee group.

The management people put these three factors in the bottom three ranks, at positions eight, nine and ten—Eight: full appreciation of

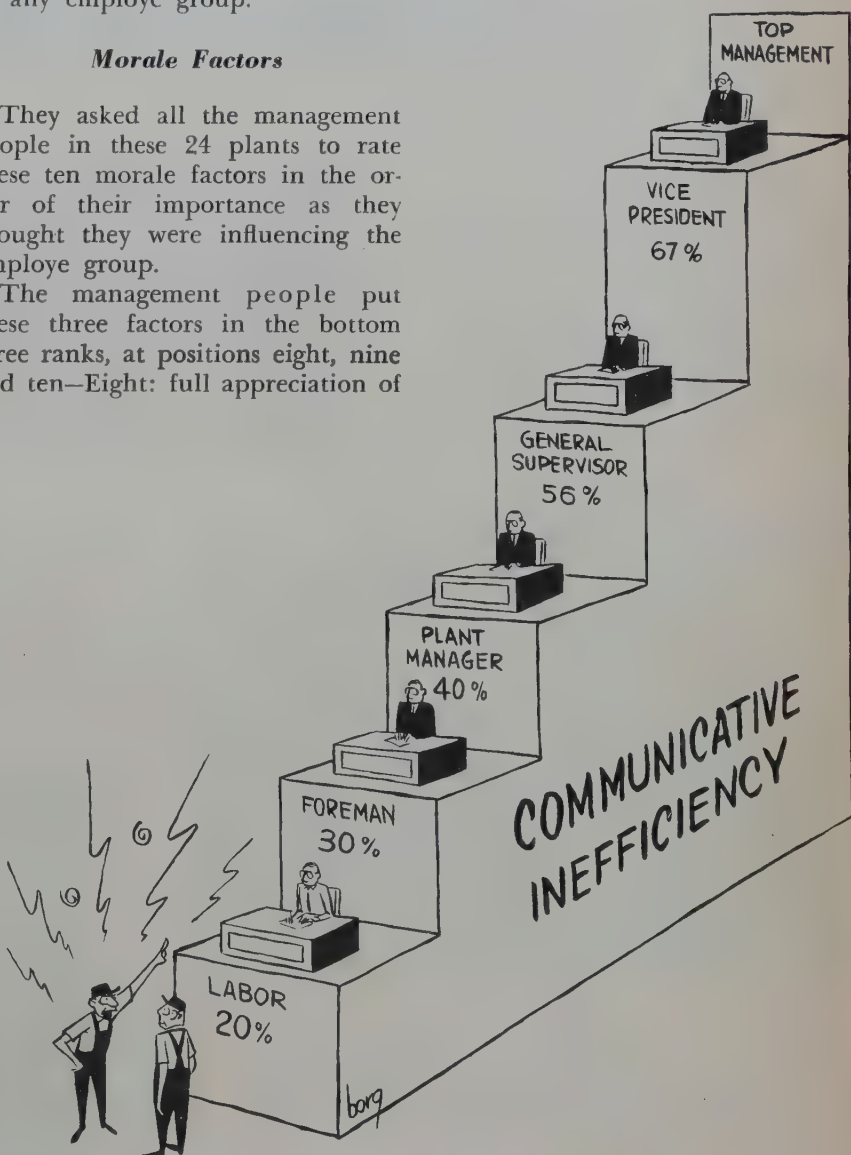
work done. Nine: feeling "in" on things. Ten: sympathetic help on personal problems.

Then the researchers went to the employee group and asked them to rate the ten morale factors in the rank order of their actual influence. They put First: full appreciation of work done. Two: feeling "in" on things. Three: Sympathetic help on personal problems.

It is almost incredible that management could guess exactly wrong, putting the three most important factors in the three least important spots; but this kind of evidence emerges again and again when objective studies are made of how well management really understands the attitudes and opinions of the employee group.

Loyola University spent 18 months making a study. They were trying

(Continued on page 30)





# Business

## Highlights



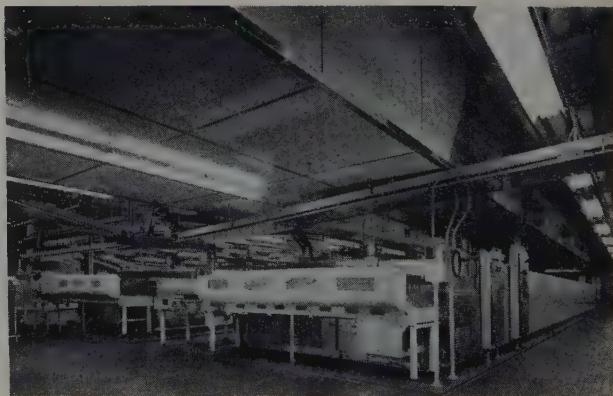
Supermarket shopping cart congestion is eliminated with the Kartoveyer, a new conveyor system developed by the Link-Belt Company. Five hundred and thirty-six feet long, the Kartoveyer speeds four hundred and fifty carts, loaded with groceries through an underground tunnel to the supermarket's parcel pickup room, adjoining a parking lot. There the housewife gives a ticket with her cart number to an attendant, who transfers the groceries to her car.

Here's a preview, as depicted by an architectural rendering, of a \$3,000,000 new split-level luxury hotel which will be built on the northwest corner of Touhy and Lincoln avenues in Lincolnwood. Designed by the architectural firms of Friedman, Alschuler & Sincere, and Hauser and Mascai, construction is slated for April 1960.



Continuing Chicago's dramatic expansion plans Mayor Richard D. Daley recently announced that this new ultra-modern, 175 million gallon capacity pumping station will be ready to service the southwest side in 1961. Capable of supplying over 250,000 Chicagoland residents and eleven southwest suburbs with filtered water, the plant will be located at 84th street and south Kedvale avenue.

Automation has become the master cook in Sara Lee's new bakery, at 5353 North Elston Avenue. Cakes are automatically conveyed into three giant ovens in the foreground, and then discharged at the other end upon finishing the baking cycle. They are then transferred mechanically to after-coolers over the ovens, where they are, by mechanical means, prepared for icing and further processing.





# The People You Pay But Never Hire

By **RICHARD J. NELSON**

Manager, Civic Affairs Division, Inland Steel Co.; Member, Legislative Committee, Chicago Association of Commerce and Industry



Richard J. Nelson

**E**VERY Chicago area businessman has more than 8 million employes of whom he knows little or nothing. He is almost completely lacking in knowledge of their capabilities and qualifications, though he may be aware, vaguely, that among many of these employes there are high turnover, low morale, inefficiency and substandard performance. He may not know that many thousands of the best of these employes quit because of frustration and discouragement.

He is paying these people for services. However, if he thinks at all about them or their situation, most probably he merely shrugs resignedly in the belief that there is nothing he can do to improve matters.

But there is.

There is, if he is willing to share responsibility for the "unknown" people on his payroll with government administrators. For, of course, the 8 million are government employes, who make up a sizeable portion of the 66 million employed persons in the United States. They are as much a part of the operating budget of business as are its own employes. The difference lies only in accounting. The businessman's corporate and personal interest is sound business, good politics and constructive civics.

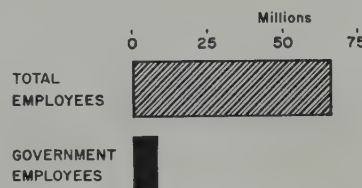
## A Complex Problem

Let's look at the problem. Everyone is concerned about the continuing increase in cost of ever-expanding government services. Federal, state and local governments are confronted with increasing demands for traditional services and for rapidly growing new services not

heretofore in the government operations inventory. This pressure for additional services comes more from citizens and citizen groups than it does from political parties and government leaders, who merely project their interpretation of this citizen pressure. The very people who make the demands must pay the increased cost in higher taxes.

The startling population explosion since World War II, accompanied by a mass immigration from rural to urban centers, is one cause for the rapid growth of local government. Another is the apparent

### EMPLOYED PERSONS IN THE U.S.



inability of private agencies to finance the increased need for their traditional client services. Government is under tremendous pressure to step in and fill the void.

Elliott Richardson, Assistant Secretary of the U. S. Department of Health, Education and Welfare recently asserted "we necessarily get more for the private dollar than from the public dollar." Therefore, it would seem not only imperative to be prudent of the numbers of tax dollars spent, but of the ways in which they are spent in order to get as much for them as for privately-spent dollars.

Planning, in an attempt to cope with population concentration, must take on two major complexions—physical and administrative. Many of the 192 metropolitan areas in

which 62% of the nation's population now live have foreseen the need for physical planning and have set up special agencies with budgets ranging up into millions of dollars a year to tackle the physical side of the problem; for example, mass transportation, zoning, water supply, drainage and many others.

But few have tackled the administrative side of the challenge.

On the administrative side, one of the greatest challenges involves personnel administration.

Today, of the more than 8 million employes working as civilians for our several levels of government, two million work for the Federal Government (some 90 thousand in the Chicago area), and the other six million are employed by state, county, municipal and miscellaneous local governments.

Government is big business. The City of Chicago with some 45,000 employes under the jurisdiction of its Civil Service Commission (exclusive of the 18 thousand teaching personnel of the Board of Education) is one of the three largest employers in town.

## Chicago Has 200,000

Altogether, it is estimated there are some 200 thousand government employes in the Chicago area; whereas the largest private industry in the community employs but some 55 thousand.

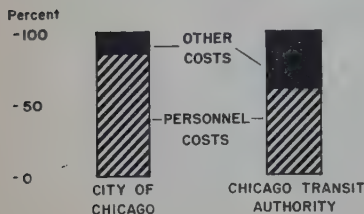
And this is only the beginning. Population experts predict a growth of over three million in the Chicago Metropolitan Area in the next two decades. It has been estimated that this means a government employment increase of some 200 to 300



thousand depending upon the services rendered.

Government manufactures no product. Essentially it renders only service to the public, such as education, welfare, public safety, transportation, and justice. This is why, unlike business, the personnel costs in government are such a large per cent of total operating costs. At the local level of government this personnel cost ranges upward from 60 per cent (Chicago Transit Authority) to 85 per cent (City of Chicago).

**TOTAL OPERATING COSTS**



Business and industrial executives, with much lower rates of personnel costs to total operating costs, have realized that effective employee relations and personnel administration are vital to the successful operation of their enterprises.

Government, on the other hand, has generally lagged far behind. The challenge to achieve the best possible personnel administration in government is all the greater because it is only by this means that the public can appraise the worthwhileness of our governmental system, which it does primarily through evaluation of services at the local government level. In fact, it is the only manifestation of democracy at work which many thousands of our urban citizens know.

### **Not Easily Done**

But the establishment of an efficient personnel program is not easy and cannot be accomplished overnight. Even in the business world, it took the pressure of competition and the best efforts of forward-looking executive leaders to achieve the present level of accomplishment.

Today, political leaders and government administrators, pressed by rising costs of operation and aware that taxes may have about reached the maximum of public endurance, are anxious to improve personnel practices. In addition, high employ-

ment in business and industry has put them in direct competition with private employers for the available supply of applicants for jobs. Government administrators recognize and are attempting to do something about the environment which so adversely affects the retention of competent employees.

### **How Business Can Help**

The solutions for government in personnel administration are even more difficult than they are for business. The installation and maintenance of an effective personnel program requires specialized skill and knowledge. In most public agencies such skills and knowledge are not yet fully available. Here is where business can lend a hand. If business executive talent and professional skills were lent to the civic agencies organized to assist the public agencies, the advancement of effective personnel administration in government would really move forward.

Many government personnel programs are also hampered by "horse and buggy" laws which have not changed materially for over fifty years. Although the Civic Service Reformers of 80 years ago gave us a start in the direction of a sound personnel plan, civil service has not kept up with the competition of private enterprise. Nor can the answer be found in the patronage system with its attendant high turnover rate and frequent selection of personnel without regard for their capabilities or potentialities.

The effect of such limitations on a personnel program is greater than one might realize. To cite a few examples:

Job classification and rates of pay are frequently arbitrary, unrealistic and out of line with competitive private area rates.

Methods of evaluating employee performance are often either nonexistent or subjectively applied.

Employee incentive recognition systems practically do not exist.

Promotion of the best qualified, and dismissal of the incompetent, is frequently difficult if not impossible.

Little or no employee training is offered.

Employee utilization methods are not used.

In other words, there is still little

opportunity in most governments to recognize and dignify employees on the basis of their individual potential and accomplishment.

It is not surprising then that governmental agencies are continually troubled by high employee turnover, low employee morale, substandard employee performance, and inefficient service to the public.

The present environment and system is wasteful of our tax dollars and human resources. It not only creates unnecessary administrative problems, but many career employees seeking to give good public service are frustrated and discouraged. Some of the best quit.

No wonder then that from time to time corruption develops under these circumstances. But even without corruption, the waste in payroll — our largest expense in government — is tremendous.

### **Discouragement Rife**

Colonel Henry Crown, Chairman of the Board of Material Service Corp., recently observed:

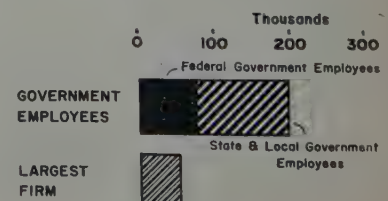
"The greatest trouble with our present civil service regulations is that many of the best people who get into government jobs are soon discouraged. It is characteristic of capable and ambitious young men that they keep pushing forward. As they push forward they always step on some toes. But in the civil service, it is fatal to step on anyone's toes, especially the toes of the man just ahead of you in seniority.

"We need some method of inducing more of these ambitious young people into the public service and giving them the opportunities they deserve. We must make ability the prime requisite for advancement in civil service rather than seniority.

"We can no longer afford to operate under a 50-year-old pay and pro-

(Continued on page 25)

**METROPOLITAN CHICAGO  
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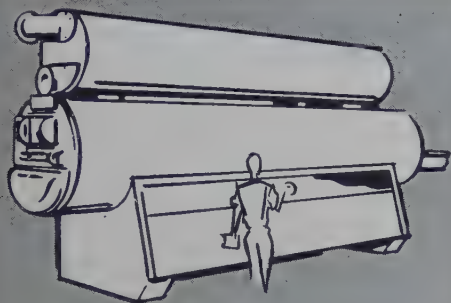
**Steam Turbine Driven Centrifugal Compressors** use high pressure steam to operate the turbine which moves the compressor. Flexibility and ease of turbine control, plus compactness make direct drive practical in many cases. Economy of operation results from the direct use of high pressure steam power generated by low-cost natural Gas.

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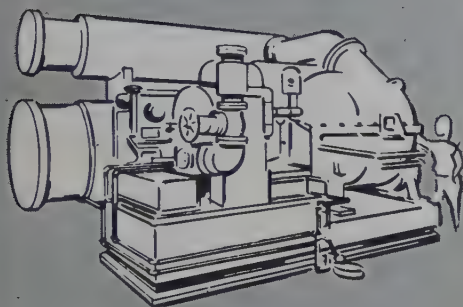
**Steam Jet Equipment** provides refrigeration through the use of direct high pressure steam power. Water is cooled by direct evaporation in a high vacuum created by steam jet boosters. Steam jet coolers have no objectionable noise or vibration and are noted for their reliability and ease of operation.

This modern air conditioning equipment is available in capacities ranging from single units of 3 to 1000 tons and over. They can be installed in multiples or in combinations to provide any amount of air conditioning required. In addition, 3½- and 5-ton direct fired central Gas units (not shown) that both heat and cool are becoming more and more popular for use in small size plant offices, branch offices and small factories.

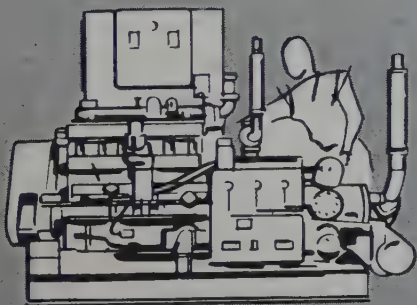
These various types of air conditioning equipment operate on different principles, but have one thing in common . . . they all depend on Gas for economical operation. For more information on Gas air conditioning, call WAbash 2-6000. One of our engineers will be glad to discuss the application of Gas to your particular needs.



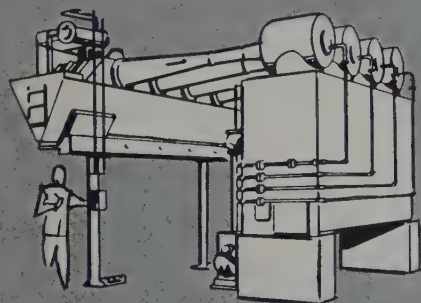
**Absorption Refrigeration**



**Steam Turbine Driven Centrifugal Compressors**



**Natural Gas Engine Driven Compressor Units**



**Steam Jet Equipment**

**INDUSTRIAL DEPARTMENT**

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**PEOPLES GAS**  
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## Economic Illiteracy

(Continued from page 16)

Derthick, U.S. Commissioner of Education, there are 9,240,000 students enrolled in the nation's high schools. Yet fewer than 4 per cent ever enroll in an economics course, according to the Federal Security Agency's comprehensive survey. Only one state, Oregon, requires a course in economics in fulfillment of high school graduation requirements. Just 18 per cent of the nation's schools, largely acting on their own responsibility have made economics a required subject. It is estimated that only 20 per cent of the graduates of schools which do have economics as an elective actually take such a course in high school.

Compared with the number of students who take economics in high school, six times as many take foreign language, eight times as many take music, nineteen times as many take physical education.

This suggests that the fault for this abysmal economic illiteracy lies not with our young people but rather with their elders. We have been causing other subjects in the school curriculum to appear more important. Perhaps the professional economists have been to blame, also. While they have written profusely on most other aspects of their field, only a few of them have made much effort to present the rudiments of economic science in such form as to meet the real needs of the high school teachers and their classes.

In a great many of our high schools, economics is not taught as a full semester course but rather as a 4 to 8 weeks unit in a junior-senior

social studies course. Those assigned to teach these courses have usually had academic preparation in history, American government, or social problems. Relatively few of these teachers have had more than a brief exposure to economics at the college level. This should in no sense be construed as an implication that our high school teachers are poorly prepared for their work. It is, rather, an indictment of a school system in which teachers are sometimes required to spread themselves too thinly over too great a subject matter area.

### "Let George Do It"

But if we elders have been to blame for the paucity of economic education in the schools, we are no less to blame for the tardiness of business and industry to meet the growing challenge. These groups have either taken the "let George do it" attitude ("George" being the public schools), or they have attempted to present their own brand of indoctrination in the guise of economic education. Both actions have done immeasurable injustice to the cause of economic literacy.

About 10 years ago, a prominent Chicago business executive requested two of us to confer with him regarding an economics program for his employees. At the outset of the conversation, he stated frankly that he wanted this program to condition the political thinking of his people. All too often has such been the real purpose behind the so-called economic training programs offered by employers.

Now, political indoctrination is

one thing; and, as such, I have no quarrel with the businessman who wants to spend his money for it, provided he is honest enough to label it for what it is. But economic education is something else, and the efforts to impose political indoctrination under the label of economic education has wrought its greatest harm upon the very groups which have attempted it. Not only has it been a waste of money, time, and effort, it has incited the open suspicion and antagonism of workers and of many labor unions.

I am reminded an incident, some years past, when I was presenting a short economics program to the employes of a certain company. The spokesman for the group asked to see my business card, and then requested that I write on it the names of the universities which I had attended along with the degrees granted and the dates conferred. He then pocketed the card, saying: "Thanks. Our union attorney asked us to get this information for him."

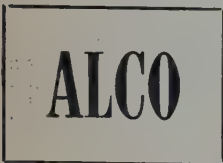
I later learned the union had written to one of the universities to verify my statements. In view of past experiences, employes have every right to insist that the economics being offered them is real economics and that those who come to teach it are what they claim to be.

### No Political Alliances

There is a common idea that economic teaching has some political alliance—that there are Republican economists and Democrat economists. I am inclined to doubt this. The economist's duty is to search out, interpret, and teach the facts. No one group in our society has a monopoly on truth.

People sometimes ask: Can capitalistic free enterprise survive in the modern world? The answer, of course, is that it can and will survive if properly understood and guided. Hence, we must strive tirelessly to overcome the economic illiteracy which exists. An informed populace is the only answer to this problem; and this is not the responsibility of only our schools, but of business firms, labor unions, and everyone else who has faith in the free democratic processes upon which our society has been created.

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## People You Pay

(Continued from page 22)

motion system which was devised at a time when the government had only a fraction of the civilian and military personnel that it has today.

"Today's system stifles initiative. It severely penalizes the man with enough gumption to rock the boat, and we need lots of boat-rockers to keep our government wide awake and up on its toes."

There are many well qualified government executives who have sought to meet this challenge. A number of very constructive things have been accomplished, but they have been spotty and sporadic. An increasing number of political and administrative leaders want to improve governmental operation, but they state emphatically that they cannot do it alone. They must have greater understanding and support from the citizens as a whole and, more specifically, from the technical specialist who "has no political axe to grind."

Some of the improvements needed can be accomplished by administrative action even within the framework of our antiquated laws and ordinances. More can be accomplished with the cooperation of the local government's legislative body through the passage of constructive ordinances. Ultimately, however, the state legislature must pass up-to-date laws which will permit the operation of a modern and dynamic personnel program to encourage the best qualified to operate our government business.

### Not Dramatic

The way is known but does not have the dramatic appeal so often needed to get public support. Present conditions and the resulting high taxes do, in part, provide the stimulus for cooperative action. We must organize to assist government officials to modernize that area of public management which accounts for as much as 85 per cent of our tax dollar—the personnel program.

Never has the time been so right. Seldom before has government asked for help in this field. Never before have there been so many in business qualified to help. We have the need.

Jointly we have the talent. We have the leadership. Let's get on with the job.

Clarence Randall has summed it up perfectly: "One problem that, as businessmen we have been a little loath to share, is that of government. . . . We have raised ridicule of office holders to a fine art, and have demanded in no uncertain terms that there must be more government for the people, but have laid less emphasis on the fact that government is also supposed to be by the people, and we are those people."

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*The CACI joined with this group and others to secure the present Illinois state personnel commission and a personnel code which includes many innovations recommended, but not yet adopted, for the Federal Civil Service system.*

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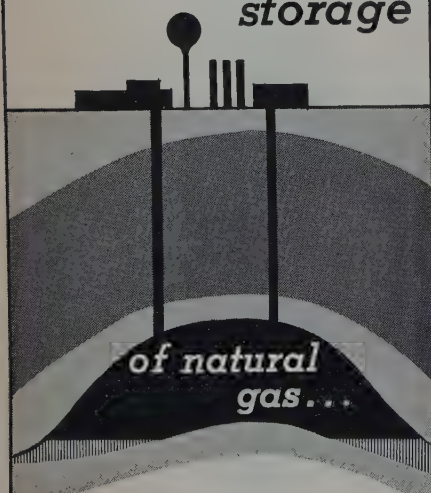
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## Operation Export

(Continued from page 17)

cern in America about competition from imports in several industries. As a result "Buy American" slogans are appearing for the first time since the great depression. There is the feeling that in a number of industries American manufacturers have been priced out of both world and domestic markets. Largely, these are the industries whose products have a big labor content and have become victims of the wage price push. The inflationary spiral continues to accentuate their wage cost and price disadvantages.

The outflow of dollars for imports, tourism, overseas investment and the government's economic and military aid programs will result in an estimated reduction in 1959 of more than \$4 billion in America's gold reserves. The persistent balance of payments deficit has permitted foreign countries to add 15 billions to their gold and dollar holdings through transactions since 1949 with the United States.

These and other developments spell the end of the post-war era of world trade, an end which the United States was largely instrumental in bringing about because of the necessity for strengthening the economies of the free nations in the face of Soviet imperialism.

Russia has become the world's second greatest economic power and fully expects to "bury" capitalism through an ideological and economic campaign rather than through military conflict and war.

### All Out Economic War

The stark fact is that America is engaged in an all out economic war and the Sino-Soviet bloc has given itself 15 years to make good its boast in this death struggle for world supremacy.

Soviet trade missions are busy in the underdeveloped nations, Asia, Africa, Latin America and Europe. They are meeting with success. Czechoslovakia is building a sugar refinery in Ceylon and a tire factory in Indonesia. Romania is selling oil equipment to India and supplying the inevitable teams of "technical observers." Even Red China with massive economic problems at home

## INTERNATIONAL BALANCE SHEET — 1959

(Preliminary estimates)

### U. S. PAYMENTS (billions)

Merchandise imports	\$15.2
Travel expenditures	1.7
Other services	6.4
Remittances, pensions	.7
Non military foreign aid (grants and loans)	2.3
Net private investment abroad	2.1

\$28.4

### U. S. RECEIPTS (billions)

Merchandise exports	\$16.2
Travel expenditures	.9
Other services	6.2
Foreign long term investment in U. S.	.4
Increase in foreign gold and liquid assets through transactions with U. S.	4.1
Balancing item — errors and omissions	.6

\$28.4

- Balance of Payments Deficit \$3.6 billion — includes \$1.4 billion increased U. S. contribution to International Monetary Fund.
- U. S. exports amounted to 3.4% and imports to 3.2% of the estimated \$473.3 billion 1959 Gross National Product.
- Total U. S. Private Foreign Investment in 1958 was \$40.8 billion compared with \$16.3 billion in 1948.

is extending aid and establishing textile mills in Burma.

However, as research and development expenditures in America continue to skyrocket (to almost 60 billion dollars during the last decade and with the prediction of twice that amount being invested in the '60's) it would seem that this nation's future vitality and lead over the Soviets is assured — with one exception. That exception is the continuing spiral of inflation which threatens profits, curtails expansion, reduces productivity, creates unemployment and threatens to price many American-made products out of the market both at home and abroad.

Unless inflation is curbed and productivity is greatly increased, the American dream of continued economic growth, prosperity and security may be forfeited to the Soviets. This is currently the greatest threat and challenge here at home.

The threat of competition from both the free nations and the Soviet-



Sino bloc cannot be met with the traditional relief—increased tariffs—employed in the past because in the eyes of government and industry as a whole this move would increase world tensions, weaken our allies and threaten our economic and military security.

How, then, are American producers to meet the new challenge of competition from foreign manufacturers? Recognizing that wage increases may continue to offset or even exceed productivity gains in most basic industries in the U. S. A. for some time to come it would appear there are only three short range opportunities to meet foreign competition.

The first is to establish overseas manufacturing operations to take advantage of low labor or material costs. Such operations can and are being used successfully for export to other world markets and back to the U. S. A.

The second is to license American "know how" or patents to foreign manufacturers who enjoy lower costs and in this way substitute royalty income and in some cases capital investment income for the normal manufacturing profit that results from fully integrated or wholly owned operations.

### **Aggressive Merchandising**

The third is to merchandise American products more aggressively in overseas markets where American inventive genius and design give utility and desirability that transcend price.

The first two procedures at best are compromises where they stem from weakness and impair the economic growth, strength and employment opportunities of American industry and where they replace or diminish production in the U. S. A. Because so many industries are faced with the first two alternatives, or nothing, they are welcome and necessary.

The one great advantage American industry has over most foreign competitors is its inventive genius coupled with a strong inclination to do new, different, and unusual things that result in tremendous programs of product research and development. Oftentimes the new products and methods resulting from this research are not exploited in foreign markets by their American

creators and many are eventually copied and exported to the U. S. A. by overseas competitors.

Major exports from the United States such as steel products and automobiles which have traditionally provided substantial export surpluses now have diminished to the point where we actually import more than we export. The same is true of many items in commodities and capital goods categories where price discrepancies are obvious and critical. It is not so true in many consumer goods lines where style, design, color, quality, materials and service make price a secondary consideration.

### **Potential Products**

American companies produce an endless array of gadgets, gimmicks, foods and drugs in the consumer field that can be absorbed in great volume in overseas markets if they are made available and aggressively promoted.

It appears, therefore, that if a more aggressive attitude is developed by American industry about the export business many new markets can

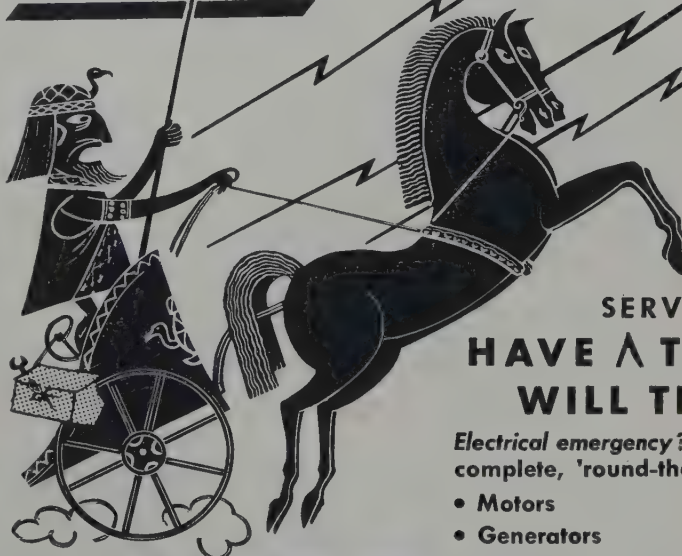
be successfully developed to replace the ones being lost so that our imports and exports can be kept in proper balance.

Getting the job done is not simple, but neither is it as mysterious or difficult as many seem to believe. There are new problems to be solved with foreign languages, currency, exchange, different channels of distribution and merchandising methods, cartels, tariffs, quotas, government red tape and personnel but many American companies have proven that these obstacles can be successfully overcome at a profit. Furthermore, the rapidly increasing standard of living in Europe and economic development in many of the nations in Africa, Asia, South America, the Orient and Australia will present new market opportunities of great magnitude during the next decade.

Many large American companies have enjoyed very profitable foreign operations and are capitalizing on their experiences as foreign markets expand dramatically.

Even though the United States is the largest exporting nation in the

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world, only relatively few American companies have had any actual experience in foreign trade because American exports usually amount to less than 5 percent of our gross national production. The successful American companies in foreign trade are usually large enough to have fully staffed export departments. Most companies, and particularly the smaller ones, have paid little or no attention to exports because of lack of interest, knowledge, staff or finances. The big opportunity for expansion of American foreign trade lies with the thousands of smaller companies whose products are competitive in world markets but have never made the effort to sell them outside of the U. S. A. To awaken interest in these companies to the new opportunities in foreign trade and to help them get started successfully is the plan of the Chicago Association of Commerce and Industry's new "Operation Export."

The objectives of "Operation Export" are:

1. To define and exploit export markets for American products where tariffs, volume potentials, and foreign exchange conditions present attractive opportunities.
2. To locate new investment, patent and licensing opportunities for American companies in foreign countries where markets and competition are favorable, and satisfactory agreements for joint ventures and repatriation of capital and profits can be made with confidence.

The Chicago Association of Commerce and Industry is prepared to provide these helpful services with the advantage of such unique resources as these:

1. The Association's world Trade Division has operated successfully for 30 years, and the history of the Association's World Trade activities dates back to the founding of the Association in 1904. It has assisted hundreds of Chicago companies in establishing export operations throughout the World. It has accumulated a vast supply of information on export operations that can be very helpful to anyone desiring to enter into the export business.

2. For 23 years the Association has sponsored an Annual World Trade Conference which brings to Chicago more than a thousand participants from all over the world to discuss World Trade Opportunities, and to provide information and contacts that are helpful in furthering world trade.

3. The Association sponsors an Annual World Marketing Conference which provides helpful information to American companies on product opportunities in various world markets as well as information on foreign investments and patent, licensing agreements. The conference attracts business and government leaders from all over the World and gives Chicago businessmen opportunities to meet first hand important business prospects right here at home.

4. The Chicago International Trade Fair first held in 1959 will be sponsored again in 1960 by the Association. It provides unusual opportunities for Chicago business to evaluate foreign competition in American and foreign markets and at the same time establish valuable trade relationships with overseas manufacturers and important export and import companies.

5. The Chicago International Trade Fair Staff and the staff of the World Trade Division have developed personal associations throughout the World which can be helpful in developing world trade.

"Operation Export" is well timed to take advantage of changing world conditions that provide an ideal climate for a rapid expansion of American foreign trade because:

1. U.S.A. imports are growing and now approximately balance American exports, more dollars are becoming available throughout the world to buy American products.
2. The increasing prosperity and improving standards of living in many countries make them better prospects for American exports, particularly in consumer goods.

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3. Rising incomes in many nations create desires for luxury imports that are more competitive with local products because of quality, style, design or patent protection.
4. The U. S. government is now bringing pressure to bear on those countries enjoying improved trade balances with America to lower their restrictions and quotas on their imports so that market potentials in the most favored nations should increase.
5. More American economic aid to the less developed countries will be used to buy materials and equipment in the U.S.A. as the government tightens its controls on foreign aid.
6. The expansion of credit in the international banks and monetary funds for loans to the less developed countries for capital investment and public works projects will result in large new markets developing for machinery and equipment of all kinds.

To implement an aggressive action program to introduce Chicago area companies into the world trade picture, the Association is creating a traveling "Chicago World Trade Center" of made in Chicago products to be exhibited in various international trade fairs and trade shows throughout the world in 1960.

The "Chicago World Trade Center" exhibit will offer the following advantages:

1. It will provide an easy and relatively inexpensive method for companies to enter the export field by being a part of a well planned, aggressive export promotion program.
2. The "World Trade Center" exhibit will be manned by a trained staff of multi-lingual personnel who will have both knowledge of products and foreign markets.
3. The "World Trade Center" will be impressively designed to display the various companies' products and services and provide many economies for the participating companies in the planning, design and staffing of the exhibit.
4. Follow up and reporting of all trade inquiries will be made

to each exhibiting company along with evaluation of prospective sales agents and foreign importers interested in representing the companies.

The Chicago Association of Commerce and Industry will provide a special staff through its World Trade Division whose sole responsibility is "Operation Export." This staff will carry on research to locate markets where American products can compete successfully, taking into consideration all limiting factors.

The target date for the first "Operation Export," "World Trade Center" exhibit is autumn 1960. Major areas to be given first consideration are Europe, Latin America, the Orient and Middle East.

While it will not be necessary for each company exhibiting products to provide staff in the "World Trade Center," it is planned to have a Chicago world trade mission made up of executives or officers of the participating companies visit the fairs and trade shows abroad where their products are being displayed. Many American cities sponsor such delegations abroad annually and they have

been most helpful in creating understanding, goodwill and new business.

The officers and directors of the Chicago Association of Commerce and Industry heartily endorse "Operation Export" and have appropriated sufficient funds in the 1960 budget to assure success of the project. This is private industry's reply to the challenge of foreign competition and the first time an American Chamber of Commerce has ever undertaken such a project.

After the first trial run it is anticipated that Chicago's World Trade Center exhibits will become familiar sights in the marketing capitals of the world. The increased flow of two-way trade through the commerce and industry of Chicago, the city's new world port and unparalleled transportation and distribution services will greatly strengthen the economy of Chicago and the Nation. The continued success of the "Chicago International Trade Fair" and "Operation Export" should provide a balanced two-way trade promotion program that will bolster America's political and economic ties with the rest of the world and contribute to prosperity and peace.

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## Poor Listening

(Continued from page 19)

to find out what the attributes of a good manager really are. They finally came up with this generalization:

"Of all the sources of information a manager has by which he can come to know and accurately size up the personalities of the people in his department, listening to the individual employee is the most important." The most stereotyped report they got from worker after worker who liked their superiors was this one: "I like my boss because he listens to me. I can talk to him."

Frank E. Fischer, managing director of the American Management Association School of Management, New York City, wraps it all up in one sentence. He says, "Efficient listening is of such critical importance to industry, that as research and methodology improve, I feel that training departments will have to offer courses in this field."

They have begun to offer them. Today there is a growing awareness of the importance of listening in effective management.

Is inefficient listening a problem in business and industrial management? I trust that perhaps you will concede that it is.

Is there anything that can be done about it? After all, if you and I listen badly, only 25 per cent efficiently, and can do nothing about it, then we are wasting time on the topic. Yet if we want to become better listeners, or make our employees better listeners, it is a goal perfectly possible to attain.

I should like to enumerate and comment briefly on what seem to me to be the ten worst listening habits that afflict us. Why? Because listening training is largely the business of eliminating these bad listening habits, and replacing them with their counterpart skills.

Bad listening habit number one is to declare the subject uninteresting. The chairman announces a topic, or perhaps the bad listener reads it on the program and says to himself, "Gee, how dull can they get, anyhow? You'd think for the money they shell out they could get a decent speaker on a decent subject. This is such a dull topic that

I think I'll worry about that secretary of mine. Am I going to keep her on another year, or am I going to sack her right now?"

A lot of us store up these mental tangents to use in moments of boredom, and this is what the bad listener always does.

Bad listening habit number two is criticizing the speaker's delivery. A bad listener does it almost every time. The speaker starts to talk, and the man thinks, "Gee, is that the best they can get? This man can't even talk. All he does is try to read from his notes. I have never heard a voice as unpleasant as this fellow's. All he does is fidget, snort and cough. Nobody could get anything from such a character."

The good listener says, "I don't know when I have seen such an inept speaker. But wait a minute! This guy knows something I don't know, or he wouldn't be up there. Inasmuch as I have paid a registration fee, I'll dig it out of him if it kills me. I'll concentrate on the message and forget about the lack of smoothness in this character's delivery."

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"I like my job — my boss listens to me"

Bad listening habit number three is getting overstimulated. I feel like an authority on this one, for I have been overstimulated as long as I can remember. I get so excited about people and things that I just can't control myself.

How does it work? A speaker starts to develop his topic. I am out in the audience, and before he talks three or four minutes he walks rough-shod on one of my pet biases or convictions. Immediately I want to throw up my hand and challenge him on the spot. If it is too formal a spot, I will sit there and gnash my teeth and figure out the meanest, dirtiest, most embarrassing question I can hurl at him.

All too often in my life have I hurled my nasty question or great rebuttal at the speaker, only to find him looking at me in complete wonderment and saying, "Nichols, didn't you hear when I went on to say that so-and-so was also true?"

Bad listening habit number four is listening only for facts. I personally asked the 100 worst listeners I could locate what they concentrated on in a listening situation. Ninety-seven of 100 testified proudly that they "listened for the facts." The truth was that they got a few facts, garbled a shocking number, and completely lost the bulk of them.

Bad listening habit number five is trying to make an outline of everything.

This is a curious business. We found that the 100 worst listeners thought that notetaking and outlining were synonyms. They knew only one way to take notes—to make an

outline of the speech. There is nothing wrong with outlining if the speaker is following an outline pattern of organization. He should be, I might concede. However, unfortunately, probably not one-third of the speakers we hear have carefully organized their discourses on an outline pattern or scheme—and one of the most frustrating things in this world is to try to outline the un-outlinable.

Bad listening habit number six is faking attention to the speaker.

Having paid the speaker the overt courtesy of appearing to tune him in, the listener feels conscience-free to take off on one of a thousand mental tangents, and that is precisely where he has gone.

Bad listening habit number seven is tolerating or creating distractions. It is so obviously clear that I will not elaborate on it.

Bad listening habit number eight is much more important. This is avoiding difficult and technical presentations.

Bad listening habit number nine is letting emotion-laden words throw us out of tune with the speaker.

I don't know what words throw you out of tune with a speaker, but I will warrant that a few of these may affect you. We have pinned down a number of them. We know that the word "mother-in-law" sometimes does it. The word "evolution" does it to some. "Automation" and "big business" are troublemakers.

"Income tax," "landlord," "landlady," "Harry Truman," "Sherman Adams!" These are all fighting words that have tended to disrupt listening efficiency for some people at some time or other.

### *The Speed of Thought*

Bad listening habit number ten I have left until last because I think it is by far the most important of all. It is wasting the differential between thought speed and speech speed.

On the average in America we talk just 100 words a minute when we speak informatively to an audience. How fast do people out front listen? Or, to put it more accurately, how fast do listeners think in words per minute when they listen?

We now know from three different researches, that you will never face an audience of any size at all that does not, on the average, think at an easy cruising speed of at least 400 to 500 words a minute. The difference between speech speed and thought speed is a breeder of false security, and a breeder of mental tangents.

This is why we listen at an average efficiency level of 25 per cent. It is because of the constant allurements of mental tangents. It seems to be almost impossible to keep our minds free from them.

If you can think four times faster

*(Continued on page 38)*

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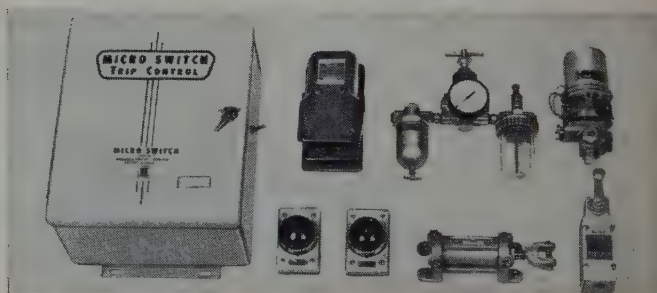
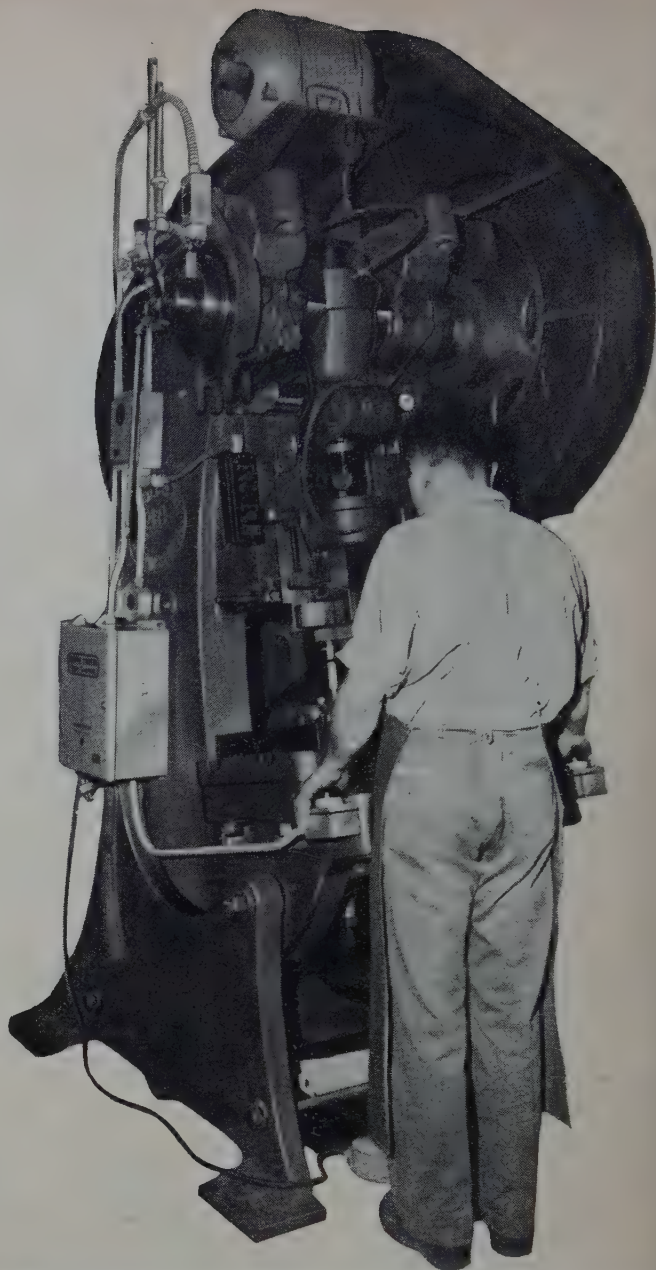


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# Industrial Developments

IN THE  
METROPOLITAN  
AREA

**T**HIRTY-THREE industrial development projects were recorded in December amounting to a dollar volume of \$10,416,000. The December projects brought the total for the year to 407 projects amounting to \$332,064,000.

These figures can be compared with 296 projects in 1958 with a total value of \$198,930,000.

During the decade of the '50's, \$3,219,710,000 was invested in industrial plants which may be compared with the decade of the 40's when \$1,907,978,000 was invested. The grand total since 1940 stands at \$5,127,688,000. The entire record for the last two decades is shown in the table below:

1959	\$332,064,000	
1958	198,930,000	
1957	251,414,000	
1956	562,479,000	
1955	554,967,000	
1954	231,683,000	
1953	141,902,000	
1952	219,338,000	
1951	401,586,000	
1950	325,347,000	
Decade of the '50's		\$3,219,710,000

1949	\$102,777,000	
1948	156,279,000	
1947	181,297,000	
1946	184,488,000	
1945	143,118,000	
1944	80,808,000	
1943	162,239,000	
1942	461,545,000	
1941	312,592,000	
1940	122,835,000	
Decade of the '40's		\$1,907,978,000
20 year total		\$5,127,688,000.

It may be seen that with the exception of the years 1955 and 1956, 1959 ranks above any other peacetime year in the past two decades. The years 1950 and 1951 were largely concerned with Korean War construction and the years 1941 and 1942 with World War II construction.

Projects covered in these reports include new plants and warehouses and plant additions, as well as acquisitions of land for future industrial construction and of buildings for industrial purposes.

• **Burny Brothers, Inc.** has announced plans to erect a 140,000 square foot building on North avenue near Lake street in Northlake. The new bakery will be on a ten acre site, and will be served by the Chicago & North Western Railroad which is developing the Northlake Industrial District. The bakery will double the firm's output of baked goods and will make it possible to meet the growing demand for the firm's products in the Chicago Area.

• **Admiral Corporation** will break ground in January for a double-barreled addition to its plant in Harvard, with two projects, each of which will afford 75,000 square feet of floor area. When the additions are completed the plant will be one of the world's largest television production units under one roof. Employment is expected to increase from 2300 to 3000 after the new construction is completed.

• **Chain Belt Company**, Agricultural Chain Division, has started construction on a 55,000 square foot factory and office building addition to its plant in Dolton. The new floor space will be used for manufacturing universal joints for agricultural machinery. The company is now assembling joints from European manufacturers, but expects to start its own operation in the new building. The estimated completion date for expansion is May 1, 1960.

• **Zenith Radio Corporation**, 1500 N. Kostner avenue, is adding 115,000 square feet of floor area to its plant for component manufacturing and assembly operations. Shaw, Metz & Associates designed the new construction, and Campbell-Lowrie-Lautermilch Corp. is handling the general contract.

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• **Cadillac Printing and Lithographing Corporation**, 812 W. Van Buren street, is erecting a 50,000 square foot plant in Broadview to which the firm will move its entire operations. Albert E. Eiseman Jr. and John W. Turner—architects and engineers.

• **Mechanics Research Division of American Machine & Foundry Company** has erected a 30,000 square foot laboratory building in Niles for research and development on industrial and defense projects. The division was formerly located at 1104 S. Wabash avenue.

• **R-C Can & Tube Company**, formerly located in Milwaukee, is erecting a plant in Centex Industrial Park in Elk Grove Village. The new 60,000 square foot structure will house the firm's entire operations in the field of fiber can production.

• **Driscoll & Company**, 3154 W. Grand avenue, has a factory addition underway in the form of a two story 13,000 square foot structure. The new portion of the plant was designed by L. Morgan Yost and D. Coder Taylor, who are also doing the structural engineering. The Driscoll Company engages in electric plating and anodizing of metals.

• **Mid West Forging & Manufacturing Company**, Chicago Heights, is erecting a new warehouse structure adjoining its present facility which will contain 16,000 square feet of floor area. Abell Howe Company is acting as engineer and general contractor.

• **National Rollex Corporation**, 3600 W. Potomac avenue, is erecting a new plant of 25,000 square feet located in the Centex Industrial Park in Elk Grove. The company engages in roll forming of aluminum and steel. Edward S. Busche & Associates designed the building and Joseph T. Carp, Inc. is erecting it.

• **Abbott Screw & Manufacturing Company** has acquired a one story building at 6525 N. Clark street, containing 23,000 square feet of floor area and adjoining vacant land. The new location will house the company's general office and warehouse operations which will allow an expansion of manufacturing

facilities in its present location at 1720 W. Walnut street. Van C. Argiris & Company—broker.

• **Techalloy Company, Inc.**, Rahns, Pennsylvania, is erecting a 25,000 square foot plant in Coral Township in McHenry County, southwest of Woodstock. The company has purchased a 40 acre site near Union for its first midwestern unit.

• **Louis Milani Foods, Inc.**, manufacturers of French dressing and other sauces, has acquired 330,000 square feet of land in Centex Industrial Park in Elk Grove for future construction of a building.

• **H. M. Harper Company**, Morton Grove, producer of bolts, nuts, screws, rivets etc., now has underway 16,000 square feet of floor area adjacent to its present location, which will be used for increased production space and storage.

• **International Machinery Service**, producer of furnace equipment, is erecting a new 40,000 square foot plant in Elk Grove Industrial District. Bennett & Kahnweiler handled the real estate transaction; Frank S. Musser designed the building.

• **Edward Hines Lumber Company**, one of the largest wholesale lumber organizations in this part of the country, is establishing a new manufacturing unit for the production of plywood components which will be located near St. Charles. The new factory will contain 12,000 square feet.

• **Eagle Sheet Metal Manufacturing Company**, 4701 N. Ravenswood avenue, is erecting 20,000 square feet of warehouse space on its plant site. The company engages in sheet metal fabricating and production of display racks, cabinets and machinery housings.

• **G. Felsenthal & Sons, Inc.**, plastic product manufacturer, has acquired a 20,000 square foot building at Wilson and Olcott streets in Harwood Heights. The new structure will house the fabricating division of the company. Bennett & Kahnweiler—broker.

• **Dupli-Color Products Company** has purchased 156,000 square feet of land in Centex Industrial Park



in Elk Grove for future erection of plant. Dupli-Color manufactures specialty paint products.

• **Unimatic Machine Products, Inc.** in Schiller Park, has had Emil Larson design an expansion to its plant of 15,000 square feet, which will be occupied by Unimatic, Afco Products, Inc. and B-Rite Platers, Inc.

• **Universal-Cyclops Steel Corporation**, 4055 Parker avenue, has erected a 13,000 square foot steel warehouse with an additional 3,000 square feet of office space to house its Chicago Area operations. The new structure is located at 15th and Bloomingdale avenues in Melrose Park. Universal's headquarters are in Pennsylvania.

• **Fuze-On Products, Inc.** of Arlington Heights (formerly Aetna Supply, Inc.) is having a new plant of 12,000 square feet of floor area erected on Central Road in Mount Prospect. The firm will manufacture metal trim for radios, refrigerators, stoves, etc. and fabricate name plates.

• **Stephens Adamson Manufacturing Company** in Aurora is erecting a warehouse building for its Seal-master Bearing Division, which will contain 14,000 square feet of floor area. The parent company manufactures transmission equipment, elevators, conveyors, screens, ball bearings, etc.

• **Dormeyer Corporation**, 700 N. Kingsbury street, has acquired 29,000 square feet of floor area at 368 West Ontario street for increased warehouse facilities.

• **Garden City Envelope Company** is adding 12,000 square feet of warehouse space to its envelope manufacturing plant, which was designed by Friedman, Alschuler & Sincere. The plant is located at 3001 North Rockwell street.

• **Winton Manufacturing Company**, 5001 North Wolcott avenue, has acquired 20,000 square feet of floor area at 2330 S. Western avenue in which the company will manufacture its line of metal medicine cabinets. Lustig-Goode Realty Company was the only broker.

## Here, There and Everywhere

(Continued from page 12)

• **New Chicago Area Office**—The J. J. Fitzpatrick Lumber Company, Madison, one of Wisconsin's oldest and largest lumber wholesalers and manufacturers, has opened a Chicago area office in the Old Orchard Shopping Center, Skokie. Proximity of the new office to rail and air terminals will make it easier to arrange personal conferences with buyers and industry leaders from coast to coast, Lawrence J. Fitzpatrick, company president, said.

• **Samples Sell Drugs**—As the result of a year's testing of a new concept in drug merchandising, a new group of everyday drug aids called "One Day Pac Aid Samplers" are available in non-drugstore outlets. Consumers have the advantage of sampling the effectiveness of individual products before buying the larger supply, according to Fitzgerald Associates, Chicago marketing firm which conceived the plan.

• **New Insurance Company Grows**—Since it began selling insurance February 1, 1959, Illinois Mid-Continent Life Insurance Company, Chicago, has sold \$7 million in individual life policies and its annual premium income now exceeds \$2 million.

• **Vending Machines Boom**—Vending Machine sales will double in the next decade, according to Nathaniel Leverone, Chairman of Automatic Canteen Company of America. Leverone's company experienced a six fold rise in sales during the last decade, with sales rising from \$21 million ten years ago to \$140,400,000 in fiscal 1959.

• **New Chicago Office**—Ketchum, Inc., national fund-raising counseling firm with headquarters in Pittsburgh, has opened an office at 8 S. Dearborn, Chicago, with Kendall F. Query as midwestern manager.

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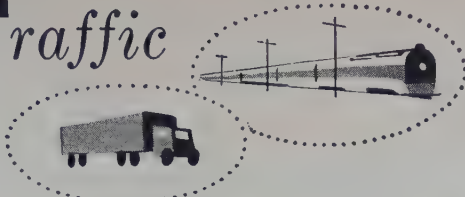
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# Transportation and Traffic



**A** PROPOSED increase in Central area motor carrier rates was adopted by the Standing Rate Committee of Central States Motor Freight Bureau at a hearing December 22, 1959 at the Congress Hotel, Chicago, Illinois. The proposal, Docket No. 37260, contemplates boosting class and commodity rates on shipments weighing less than 2,000 pounds by 10 cents per 100 pounds; on shipments weighing from 2,000 to 5,000 pounds by 5 cents per 100 pounds; and on all shipments weighing 5,000 pounds or over 2 cents per 100 pounds. Excluded from the increase are truckload commodity rates on iron and steel. The proposal also includes increasing the minimum charge 50 cents and all accessorial charges by 10 per cent. The justification for the proposal is "to increase carrier revenue to partially off-set increased operating cost since the last general increase and also increased costs known to become effective from now to February 1, 1960." The matter is to be reviewed by the Central Committee on January 12, 1960.

• **Seek Court Injunction Against Increased 4th Class Mail Rates:** A suit seeking an injunction to restrain the increases in 4th class mail rates on parcel post and catalogs from becoming effective February 1, 1960, has been filed in the Federal District Court for the District of Columbia by the Parcel Post Association and three of its members. The Interstate Commerce Commission, on November 20, 1959, approved the increases in 4th class mail rates requested by the Postmaster General. These increases average 17.1 per cent and would yield the Post Office Department about \$88 million additional revenue annually. Named as defendants in the suit are Postmaster General Arthur E. Summerfield and the 11 members of the Interstate

Commerce Commission. The complaint charges that the defendants exceeded their powers under the Parcel Post Act of 1958 and asks the court after final hearing to: "(a) Adjudge and decree that the rates are invalid because they were formulated in contravention of applicable statutory standards and without authority of law; (b) Adjudge and decree that the defendant commissioners had no power to consider or consent to the rates, and that the defendant Summerfield has no power to put them into effect; (c) Set aside and annul the defendant commissioners' action granting consent to the proposed rates; (d) Issue an injunction restraining the defendant commissioners from again consenting to the rates; (e) Issue an injunction restraining the defendant from placing the rate increases into effect; (f) Grant such other relief as the nature of the case may require as may to the court deem just. The court's decision on the request for a preliminary injunction probably will be handed down early in January.

• **Third Quarter Truck Tonnage 10.9% Ahead of Last Year:** The volume of intercity freight tonnage hauled by truck during the third quarter of this year was 10.9 per cent ahead of the same period for 1958, the American Trucking Association reports. This 10.9 per cent increase follows successive increases of 15.6 per cent and 20.5 per cent in the first and second quarters of this year compared with the corresponding periods of 1958. In Central Region, which embraces the states of Illinois, Indiana, Ohio and the lower peninsula of Michigan, the third quarter tonnage was 11.2 per cent over the same months last year.

• **Japanese Trade Official Lauds Importance of Port of Chicago:** The

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Employee Incentive Plans

39 South LaSalle Street  
Chicago 3, Illinois  
RAndolph 6-9340

St. Lawrence Seaway has "noticeably increased" the economic importance of Chicago, Shigetaro Okamatsu, a consultant to the Japan Chamber of Commerce, said on his return home from a month-long tour of the United States. He urged his government to revise its trade shipping policies by taking advantage of the seaway and the newly opened trade area. He noted that Japanese products may now be sent directly to Chicago instead of through Atlantic and Pacific ports. While visiting Chicago, Mr. Okamatsu was a guest of the Chicago Association of Commerce and Industry.

• **Supreme Court Upholds Acquisition of T. P. & W. by Santa Fe**

and Pennsylvania: The Supreme Court of the United States has upheld an order of a lower court approving control of the Toledo, Peoria and Western Railroad by the Pennsylvania and Atchison, Topeka and Santa Fe Railroads. The High Court rejected protests filed by the Minneapolis and St. Louis Railway, which also sought to control the T. P. & W., and the states of South Dakota and Minnesota.

• **President Renames Durfee and Gurney to C.A.B.:** President Eisenhower has redesignated James R. Durfee and Chan Gurney as chairman and vice chairman, respectively, of the Civil Aeronautics Board for another year.

### Poor Listening Costs You Money

(Continued from page 31)

than any man can talk to you, this should be a source of power; it should not be a weakness. As it operates without training it is a liability, but with training it can be converted into a tremendous asset.

This is perhaps the most precious possession we own—the fact that we can think so rapidly. The process of conversion is merely the business of learning what things to engage in mentally in order to stay tuned in on the speech.

These activities, these mental manipulations, are three in number. Wherever you find listening training succeeding today, you will find them in the training program.

Number one is to anticipate what the speaker is going to say next. One of the best things we can possibly do mentally is to dash ahead of him and try to guess what his next main point is likely to be. Comparing the thought we felt he was going to make with the one he actually produced, without knowing it, we are beginning to apply the oldest law of learning in the books—which is that we learn best by comparison and contrast.

Mental ingredient number two in concentration is to identify the supporting elements the speaker uses in building his points. By and large, we use only three ways to build points. We explain the point, or we

get emotional and harangue the point, or we illustrate the point with a factual generalization following the illustration.

Finally and most importantly, the good listener throws in periodic mental summaries as he listens. At the end of about three or four minutes, if the speaker draws a long breath or walks around the lectern, or takes a swallow of water, or if there is any pause at all, the sharp listener dashes clear back to the beginning of the discourse and makes a quick mental summary of what has been said, up to the point of the break. These periodic summaries as we listen are tremendous reinforcements of learning.

I would predict that within another five years or so no employer of white-collar personnel in America is going to sign up a young college or high school graduate without first inquiring about his listening index. If the young man asking you for a job says, "Well, my index is 17," I would advise you not to sign him up. We can no longer afford the luxury of a bad listener on our payrolls. One bad listener can cause more damage in the complex economy in which we operate than all your good listeners can make up for. But, if he says, "My listening index is 91," sign him up; for he is going to be a producer for you.



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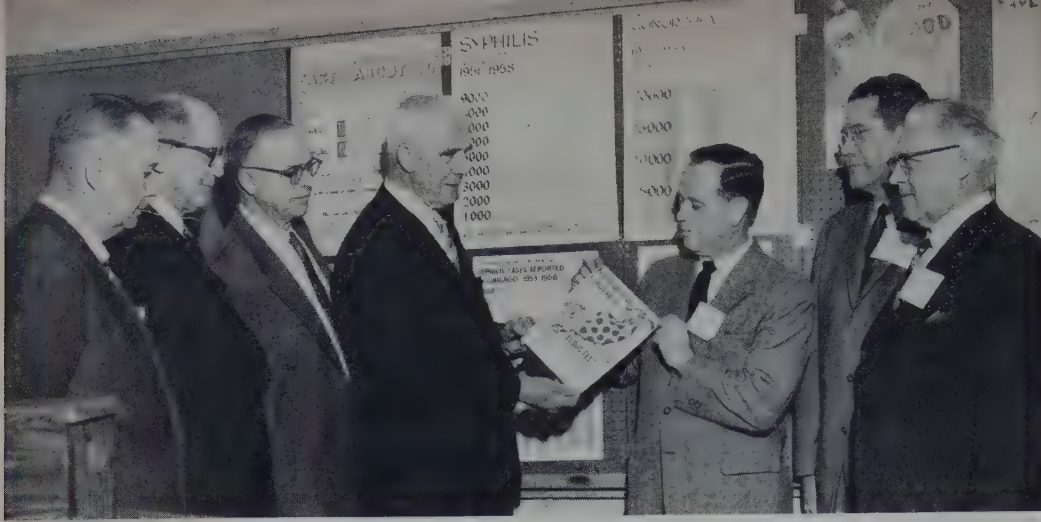
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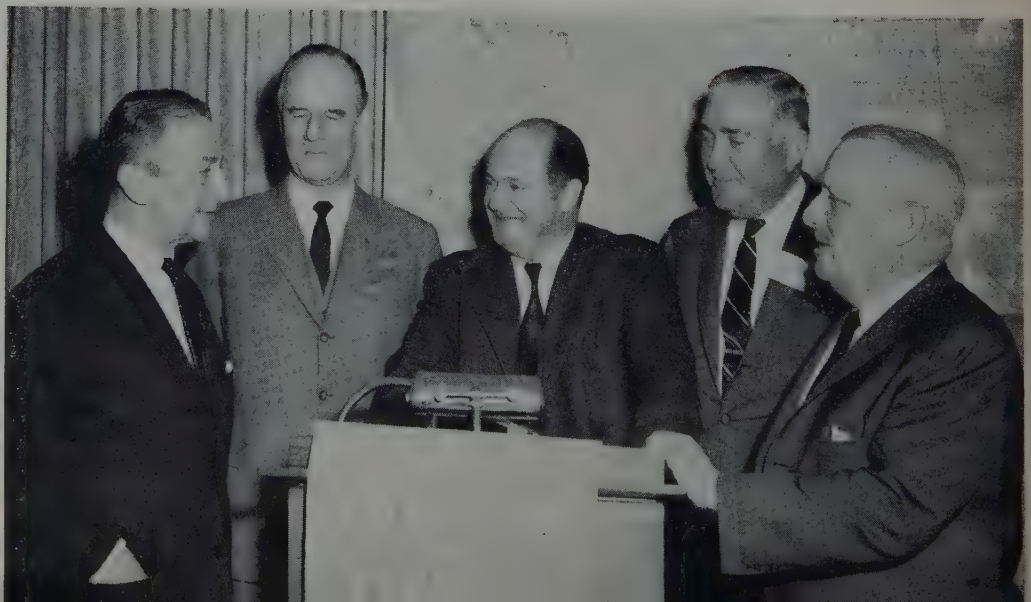


In one of a series of meetings which examine contagious and infectious diseases in the community, leaders in the field of hygiene discuss new methods of prevention. They are (l to r) Dr. A. K. Peterson, Medical Director of R. R. Donnelley & Sons Company; Dr. Eugene Walsh, Director of Medical Services of International Harvester; Dr. Franklin R. Fitch, Executive Director of Illinois Social Hygiene League; Thomas H. West, President of the Illinois Social Hygiene League; T. Leroy Richman, Associate Executive Director of American Social Hygiene Association; William Lowe, Treasurer of Inland Steel Company, and Jesse Jacobs, Director of the Association's Health, Education and Welfare Division.



Talking over future plans during the Annual Meeting of the Chicago Crime Commission are (l to r) Virgil W. Peterson, Operating Director of the Commission, Grayden Megan, past President, Joseph O. Hanson, President, and Paul W. Goodrich, Association President. The meeting celebrated founding of the Commission forty years ago by the Association. Peterson later discussed the continuing campaign against organized crime.

The story of the General Agreement on Tariffs and Trade was reported by GATT's Executive Secretary, Eric Wyndham White (center) to the World Trade Committee. Pictured with White are (l to r) Leslie H. Dreyer, Committee Chairman and Vice President, International Banking Department, 1st National Bank of Chicago; Bo Jernstadt, Consul General of Sweden; Jack L. Camp, Vice President, Foreign Operations, International Harvester Company; and Richard Wagner, Chairman of the Board, Champlin Oil and Refining Company, Chicago





# ASSOCIATION PHOTOGRAPHED

## *in action!*

Carl Sandburg enjoys a visit to Chicago and accepts a copy of the Association's Chicagoland picture book in which he is prominently featured. "Chicagoland" is being presented to the author by Raymond R. Becker of the Public Relations staff



Informing foreign businessmen on American free enterprise is a continuous program with Association staff members. Richard Boyd (left), Director of Membership, speaks to a group of Spanish Marketing experts, and Preston E. Peden (below), Director of Governmental Affairs, chats informally with a Japanese Trade Mission. Both groups were sponsored by the International Cooperation Administration



Bertil Thorburn, First Vice Chairman of the City Counsel of Gothenburg, Sweden, speaks with Walden Porter, Director of Marketing for the Chicago International Trade Fair. Thorburn headed a group of Swedish businessmen who visited with Association directors and officers to compare business techniques



Businessmen seeking practical "know-how" about politics, board a bus after leaving the Association's offices to visit Chicago's 45th Ward and meet with Alderman Charles Weber. The group, enrolled in the fourth Practical Politics Course, also attended a regular meeting of the 45th Democratic ward organization. The Association will sponsor its fifth course in practical politics beginning January 21



Melvin H. Kurtz (right), Chairman of the Illinois Committee and Assistant Sales Manager of Universal Atlas Cement Company, presents awards to two Illinois 4-H Club youths for outstanding accomplishments in 4-H project work. They are Sara Wiggers of Lincoln and Thomas Young of Champaign. The awards have been made by the Committee annually for the past 38 years. This year's meeting was held in cooperation with the Agricultural Committee. The youths were given cash awards equaling expenses incurred during their visit in Chicago



Vilas Johnson examines the handicraft of a merchant in Morocco. Johnson is currently meeting with businessmen and government officials in Mediterranean and Middle East countries to tell the story of Chicago's business advantages and to invite their increased participation in the 1960 Chicago International Trade Fair to be held on Navy Pier this summer

Stanley J. Roush, Chairman, Second Canadian-American Trade and Industry Conference, Group Vice President of Borg-Warner Corporation, leads a panel on the impact of increased overseas competition on the Midwest and Canada. Seated are (l to r) Robert C. Guinness, Executive Vice President, Standard Oil Company; Robert M. Buddington, Vice President Sales, the Inland Steel Company; V. W. Scully, President, The Steel Company of Canada, Ltd.; H. G. Kettle, Director of Public Relations, Massey-Ferguson, Ltd., and S. W. White, Jr., President, Oliver International, S. A.





## *Calendar of Association Events*

<b>Jan. 15</b>	Research Clearing House Committee Luncheon Meeting Program: Proposed Research Projects of Research Division, Department of City Planning.	Association Conference Room 12:15 P.M.
<b>Jan. 19</b>	Membership Luncheon Meeting; L. J. Caine, President, Caine Steel Co., Host.	Association Conference Room 12:15 P.M.
<b>Jan. 21</b>	Industrial Development Committee Plant Trip to Automatic Electric Company.	Northlake, Ill. 11:45 A.M.
<b>Jan. 21, 28, Feb. 4, 11 and 18</b>	Illinois Committee Luncheon Meeting	Association Conference Room 12:00 P.M.
<b>Jan. 21, 28, Feb. 4, and 11</b>	Practical Politics Workshop V.	Association Conference Room 3:30 P.M.
<b>Jan. 22</b>	Board of Directors Luncheon Meeting.	Association Conference Room 12:00 P.M.
<b>Jan. 25</b>	Japanese Small Business Organization.	Association Conference Room 9:30 A.M.
<b>Feb. 10</b>	Annual Meeting, Grand Ballroom, Palmer House, Paul W. Goodrich, Chairman.	Palmer House 12:15 P.M.
<b>Feb. 18</b>	Industrial Development Committee Meeting; C. J. McClean, Commonwealth Edison Co., Speaker.	University Club 12:15 P.M.
<b>Feb. 26</b>	Chicago Association of Commerce and Industry Board of Directors Meeting.	Association Conference Room
<b>March 9-10</b>	World Trade Conference.	Palmer House
<b>April 13</b>	Architectural Honor Awards Luncheon.	Terrace Casino Morrison Hotel
<b>April 25-27</b>	National Military-Industrial Conference.	Palmer House
<b>May 1-4</b>	Annual Meeting, Chamber of Commerce of the United States.	Washington, D. C.
<b>June 2</b>	Achievements Luncheon.	Grand Ballroom Sherman Hotel
<b>June 20- July 5</b>	Chicago International Trade Fair	Navy Pier
<b>June 27-28</b>	World Marketing Conference	Sherman Hotel



# PORT OF CHICAGO OVERSEAS TONNAGE UP BY 241 PERCENT

The year 1959 was the biggest and most active in the Port of Chicago's history in terms of overseas traffic, it was reported by William W. Huggett, Chairman of the Association's Harbors and Waterways Committee and President of the North Pier Terminal Company.

Total overseas tonnage in 1959 rose 241 per cent over 1958 for the full navigation season. Total exports and imports handled through the Port of Chicago amounted to 1,168,618 net tons which is 825,636 more tons than were handled last year.

"This tremendous increase is most encouraging and the outlook is even more so," Huggett said. "However, these figures also point out the urgency of examining our facilities and procedures so that future increases can be handled more efficiently."

Total exports in 1959, including grain, represented 68 per cent of all overseas tonnage. Grain alone accounted for 33 per cent. Exports, other than grain, totalled 35 per cent of all traffic; imports 32 per cent. Huggett pointed out that "Chicago still exports more than it imports in terms of total tonnage."

Included in the report was the number of overseas vessels. In 1959 522 ships cleared the Port as compared with 365 in 1958. This is an increase of 157, or 43 per cent.

The tabulated report follows:

## PORT OF CHICAGO

### OVERSEAS TRAFFIC AND OVERSEAS VESSELS

#### FOR THE 1958 AND 1959 NAVIGATION SEASONS

Compiled by: Transportation Division, Chicago Association of Commerce and Industry

Preliminary Figures

Overseas Freight Traffic (Short Tons) Excluding Grain

	IMPORTS			EXPORTS		
	General Cargo	Bulk Cargo	Total	General Cargo	Bulk Cargo	Total
1958 .....	171,954	1,897	173,851	150,749	—	150,749
1959 .....	345,937	31,783	377,720	338,147	68,339	406,486
Increase Amount .....	173,983	29,886	203,869	187,398	68,339	255,737
Increase Per Cent .....	101.2	—	117.3	124.3	—	169.6

#### TOTAL EXPORTS AND IMPORTS

1958 .....	324,600
1959 .....	784,206
Increase Amount .....	459,606
Increase Per Cent .....	141.6

Source: Terminal Operators

#### OVERSEAS GRAIN SHIPMENTS

	Bushels	Short Tons
1958 .....	654,000	18,382
1959 .....	14,569,000	384,412

Source: Board of Trade of the City of Chicago

#### OVERSEAS VESSELS

1958 to November 30 .....	365
1959 to November 30 .....	522
Increase Amount .....	157
Increase Per Cent .....	43

Source: Collector of Customs, Chicago

## Stratton to address Jaycees

Illinois Governor William G. Stratton will be the featured speaker at the Junior Association of Commerce and Industry banquet honoring the Chicago chapter's "Distinguished Service Award" winners Friday, January 22. The dinner and

program will begin at 7:00 p.m. in the Terrace Casino of the Morrison Hotel.

Robert Cunningham, CACI Director of Public Relations, will be master of ceremonies and will assist George R. Baker, Jaycee President,

in the presentation of awards to outstanding Jaycees who have rendered distinguished service during the year. Tickets at \$5.50 are available at the Junior Association office, 30 West Monroe Street. Telephone FRanklin 2-7700.

## Jaycees urge interest in Junior Achievements

To promote and publicize the 1960 National Junior Achievement Week January 31-February 7, the Chicago Junior Association of Commerce and Industry is working with business and trade groups.

Junior Achievement teaches young

people the economic facts of life by enabling them to learn through doing. By organizing and operating their own companies, by manufacturing and marketing their own products, by succeeding or failing through their own efforts, they learn

how the American free enterprise system works. There are 352 Junior Achievement companies sponsored by Chicago area commercial and industrial firms. The Jaycees urge other interested firms to call for additional information.



## New Officers and Directors elected by Association January 13

Twelve new officers and directors have been elected by the Association. Pictures of men new to the Board of Directors, or elected to new positions as officers are published below.

Re-elected for one-year terms were: President, Paul W. Goodrich, Pres. Chicago Title and Trust Company; V.P. for Business Research and Statistics, John K. Langum, Pres. Business Economics, Inc.; V.P. for Community Development, James E. Rutherford, V.P. Prudential Insurance Company; V.P. for Industrial Development, Thomas G. Ayers, V.P. Common-

wealth Edison Company.

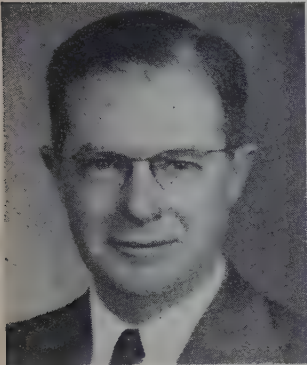
Vice President for Governmental Affairs, C. B. Randall, Tax Attorney, Natural Gas Pipeline Company of America; Vice President for World Trade, Leslie H. Dreyer, V.P., First National Bank of Chicago.

Re-elected to the board for two-year terms were: John Barr, Chairman and Pres., Montgomery Ward & Co.; Carl M. Blumenschein, V.P. and Controller, Container Corporation of America; Judson B. Branch, Pres., Allstate Insurance Company.

Charles S. Bridges, Pres., Libby McNeill & Libby; George I. Daniels, V.P., City National Bank and Trust Company; James E. Day, Pres., Midwest Stock Exchange; George H. Dovenmuehle, Pres., Doven-

muehle, Inc.; Joel Goldblatt, Pres., Goldblatt Brothers, Inc.; Robert C. Gunness, Exec. V.P., Standard Oil Company of Indiana; Homer Hargrave, V.P., Merrill, Lynch, Pierce, Fenner & Smith, Inc.

Downing P. Jenks, Pres., Chicago, Rock Island & Pacific R.R.; Simeon E. Leland, Dean, College of Liberal Arts, Northwestern University; John H. Leslie, Pres., Signode Steel Strapping Co.; John C. Loftis, Pres., Kraft Foods Company; Harold M. Mayer, V.P., Oscar Mayer & Company; R. E. Moore, Pres., Bell & Gossett Company; Charles F. Murphy, Partner, Naess & Murphy; Carroll V. Roseberry, V.P., Westinghouse Electric Company; Arthur Rubloff, Chairman, Arthur Rubloff & Company.



Vice President for Commercial Development, FERD KRAMER, Pres., Draper and Kramer



Vice President for Health, Education and Welfare, JAMES C. WORTHY, V.P., Sears, Roebuck & Company



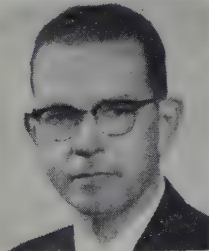
Vice President for Revenue, EDWARD C. LOGELIN, V.P., United States Steel Corporation



Vice President for Transportation, GEORGE L. IRVINE, Regional V.P., General Electric Company



General Secretary, FRANK F. KOLBE, Pres., United Electric Coal Company



Director, DONALD M. GRAHAM, Sr. V.P., Continental Illinois National Bank and Trust Co.



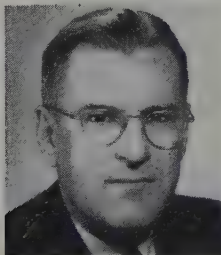
Director, A. POPE LANCASTER, V.P., Western Electric Co.



Director, VIRGIL MARTIN, Pres., Carson Pirie Scott & Company



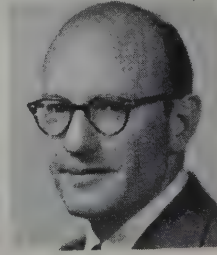
General Treasurer, PAUL C. RAYMOND, V.P., American National Bank and Trust Company



Director, A. NEWELL RUMPF, V.P., Harris Trust & Savings Bank



Director, JOHN F. SMITH, JR., Pres., Inland Steel Company



Director, A. C. NIELSEN, JR., Pres., A. C. Nielsen Company





Former United Nations Secretary General Trygve Lie, Ambassador-at-large of Norway with special mission to promote foreign investment in his country, visits with Association President Paul W. Goodrich (left) and the Honorable Arne Skong, Norwegian Minister of Trade and Shipping, during a reception held in his honor by the Association



Representative of the 300 businessmen serving on the Association's Industrial Development Committee are: (l to r) Thomas G. Ayers, Association Vice President for Industrial Development, Vice President, Commonwealth Edison Company; T. Clifford Noonan, Vice President, Graham, Anderson, Probst & White, Architects and Engineers; Paul Van T. Hedden, Planning and Zoning Consultant; John C. Carter, Assistant Secretary, Inland Steel Co.; Harold J. Roth, Manager, Industrial Development, Northern Illinois Gas Co., and S. J. Cooley, Director Industrial and Real Estate Development, Chicago, Milwaukee, St. Paul & Pacific Railway Co. The committee is planning early 1960 release of Volume II of the study "The St. Lawrence Seaway . . . Its Impact by 1965 Upon Chicago and Illinois Waterway-Associated Areas"

## 23rd WORLD TRADE CONFERENCE MARCH 9-10

"International Enterprise — Builder of a Better World" has been selected as the central theme of the 23rd Chicago World Trade Conference March 9-10 at the Palmer House. The Conference is held jointly under sponsorship of the Association and the International Trade Club of Chicago to stimulate expanded two-way world trade and international operations of Chicago area and Midwest organizations.

At the first meeting of the Conference Advisory Committee, Leslie H. Dreyer, Association Vice President for World Trade and Vice President, International Banking Department, the First National Bank of Chicago, was elected Chairman.

Other officers are: Vice Chairman, Earl A. Denton, President International Trade Club of Chicago, President of Earl A. Denton & Co., Inc.; Treasurer, Robert J. McGorin, Treasurer, International Trade Club of Chicago, Manager, Foreign Department, The Quaker Oats Company; Secretary, Robert Bean, Director, Association World Trade Division; Assistant Secretary, Miss Agnes C. Stenros, Executive Secretary, International Trade Club of Chicago.

## CACI ANNUAL MEETING WEDNESDAY, FEB. 10

A special program of unusual interest to the business community is planned for the Annual Meeting of the Chicago Association of Commerce and Industry, Paul Goodrich, Association President and President of the Chicago Title and Trust Company has announced.

Goodrich urges attendance of Association members at the Annual Meeting, scheduled for 12:15 p.m. Wednesday, February 10 in the Grand Ballroom of the Palmer House.

The Annual Report of the Association, will be distributed at the meeting.



## Association studies Coordination of City's Capital Improvements

Reporting to the Association's Board of Directors, George Dovenmuehle, chairman of the Urban Renewal Committee and President of Dovenmuehle, Inc. announced formation of a subcommittee to examine ways of bettering coordination between governmental agencies planning capital improvements.

"While some improvements were made three years ago following efforts of the Association and the Civic Federation in the area of consolidated capital budgeting," Dovenmuehle told the Board, "there continue to be examples of the left hand not knowing what the right hand is doing in various construction projects by City agencies. A case in point was the new Brownell School built by the Board of Education only five years ago directly on the route of the South Expressway,

making it necessary to demolish an expensive new school building to make way for the Expressway."

Dovenmuehle said membership of the new subcommittee includes members of the Association's Urban Renewal Committee and representatives of the Metropolitan Housing and Planning Council and the Civic Federation. Its principal goal is to re-examine procedures of coordination between agencies and to develop a more effective method of exchanging information between planning bodies.

The Mayor's Administrative Officer, John Duba, and Chicago's Commissioner of Planning, Ira Bach, met with the new group, Dovenmuehle said, and expressed enthusiastic appreciation of any efforts made to achieve better exchange of information.

## Association urges Direct Orient Flights

Representing the Association, Robert Cunningham, Public Relations Director, testified before the civil aeronautics board in Washington that 20 per cent of U.S. exports originate in the Chicago area. He said that half the foreign businessmen and tourists who visit the Association come from the far east, notably Japan.

This testimony was given in a hearing on requests by Chicago, Milwaukee, Minneapolis and St. Paul to the CAB to authorize direct air service from these cities to the orient. The hearing was in connection with a CAB review of trans-

Pacific routes directed by President Eisenhower.

Chicago's aviation commissioner, William E. Downes, Jr., said the city wants direct air service to Hawaii and would welcome it from any qualified air line. Downes and Cunningham pointed out that Chicago's commercial links with the orient are increasing and that Chicago is the world's leading center of rail, air and truck traffic.

Cunningham told CAB examiner William J. Madden that Chicago wants direct air service to the orient regardless of whether routes are authorized for other inland and east coast cities.

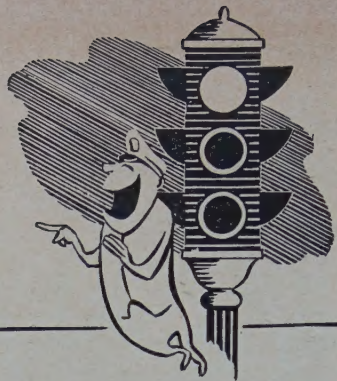
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# Stop me...If...



Two youngsters had strayed away from their mother in a department store and were riding up and down the crowded elevators. Suddenly the boy noticed that his ice cream cone was dripping and wiped it against the back of a woman's mink coat.

"For goodness sakes, Jimmy, watch yourself," whispered his sister. "You're getting fur all over your ice cream."

A couple whose new home was completed very recently had hardly moved in before the neighbors came over to inspect it. Naturally, the conversation was on the subject of the new house.

"It's very nice," commented one visitor, "but I don't see why you call this type of a house a bungalow."

"Well," explained the owner, "we just don't know what else to call it. The job was a bungle, and we still owe for it."

Lawyer: "You say that you want to get a divorce on the grounds that your husband is careless about his appearance?"

Client: "He hasn't showed up in nearly two years."

Sally: "I'll never marry a man who snores."

Mother: "Good, but be careful how you find out!"

A man called on the news editor of a local paper and announced that his uncle had been taking the paper for fifty-five years. "That's fine," said the editor, "I hope he'll continue to do so." "Oh yes, he will. I want to tell you about him. He has always been a model of propriety. He has never touched liquor or tobacco. He has never used profanity. He has never been mixed up with women. He indulges in no vices and excesses. And tomorrow he will celebrate his 80th birthday." "How?" asked the editor.

Personnel director No. 1: "John Jones lists your firm as a reference."

Personnel director No. 2: "He worked for us one week and we were satisfied."

Him: "Darling, I'm ruined. I lost my job. I'm bankrupt. I haven't a cent."

Her: "Don't worry, sweetheart, I'll always love you—even if I never see you again."

Prof: "Young man in the back of the room, what was the date of the signing of the Declaration of Independence?"

"Dunno."

Prof: "Who was Tom Paine?"

"Dunno."

Prof: "Well, well, I assigned these questions last Thursday. What were you doing last night?"

"Drinking beer with some of the boys."

Prof: "You mean to stand there and tell me that? How do you expect to pass this term?"

"I dunno, Bud. I just came to fix the steam pipes."

Two small boys put their hands side by side.

"Hah! Mine's dirtier'n yours," said one.

"Well," said the other, "you're a year older'n me."

Discussing problems concerning teenagers, one woman asked her neighbor, "Is your son hard to get out of bed in the morning?" "No," replied the other, "I just open the door and throw the cat on his bed." The neighbor was puzzled. "How," she asked, "does that waken him?" Replied the other, "He sleeps with the dog."

Dear Boss:

I seen this outfit which they aint never bawt a dimes werth uv nuthin frum us and I sole them a cupple hundred thowaund dollers werth uv guds. I am now going to Chawgo.

Two days later a second letter arrived at the home office, reading as follows:

"I cum hear and I sole them haff a mulyun."

Both letters were posted on the bulletin board with a note appended by the company president:

"We ben spending to much time trying to spel instedd uv trying to sel. Lets watch those sails. I want everbuddy shud reed these letters frum Gooch who is on the rode doing a grate job for us, and yoo shud go out and DO LIKE HE DONE!"

"Now can anybody tell me," asked the geography teacher, "where we find man- goes?"

"Yes, Miss," replied a knowing little boy, wherever women goes."

A fellow was walking his long-haired dachshund and he met a friend who said "What a funny animal! How do you tell his head from his tail?"

"It's very simple," the dog's owner replied, "You pull its tail and if it bites you, you know it was his head."

It was springtime in England, and the Brooklynite visiting a London park was overwhelmed by the number of sparrows milling about the lawns. He tapped lightly on the shoulder of the Englishman standing next to him.

"Hey, Mac, didya ever see so many boids?"

"My good man," said the Englishman with a reproachful look, "those are not Boids, they're Birds."

The Brooklynite scratched his head thoughtfully, "Dat's funny," he mumbled, "dey choips just like boids."



Now we will hear a few "don'ts" of the investment business.

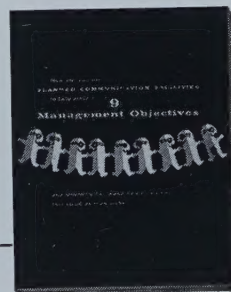




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